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DEBATE ON THE ADDRESS

HC Deb 27 October 1948 vol 457 cc102-220

[SECOND DAY]

Order read for resuming Adjourned Debate on Question [26th October]: "That an humble Address be presented to His Majesty, as follows:" "Most Gracious Sovereign," "We, Your Majesty's most dutiful and loyal subjects, the Commons of the United Kingdom of Great Britain and Northern Ireland, in Parliament assembled, beg leave to offer our humble thanks to Your Majesty for the Gracious Speech which Your Majesty has addressed to both Houses of Parliament"—[Mr. Bowden.]"

Question again proposed.

3.18 p.m.

Mr. Speaker As it is a long time—at least some little time—since notices of Bills were given on the second day of the Debate on the Motion for an Address in reply to the King's Speech, I thought it might be as well to remind hon. Members that the Rule as to anticipation is bound to come in. Erskine May says: "Ministers, before the Debate on the Address, give notice of the more important Bills which they intend to introduce. In this case, notice is given for the purpose of ensuring that the Debate on such Bills shall not be anticipated through their subject matter being canvassed in the course of the Debate on the Address." That, of course, must govern to a certain extent speeches which may be made. For instance, we cannot discuss in detail the merits of the Steel Bill. That would be completely out of Order, as anticipation. I thought it would be as well if I reminded the House of this Rule, since it is some little time since Notices of Bills were given on the second day of the Debate on the Motion for the Address.

Mr. Churchill (Woodford) I do not, of course, demur to your Ruling, Mr. Speaker. For instance, it would be out of Order if we were to drift into anything like a Second Reading discussion of the merits of Bills of which notice has been given. I presume that a general discussion of the entire political field, bearing in mind particular episodes and incidents of it, will be open on this one occasion of the year when we are supposed to have the greatest possible latitude.

Mr. Speaker The right hon. Gentleman is perfectly correct. The Rule as to anticipation does not mean that we must not, for example, mention the word "steel" because it would be out of Order. That would be going too far. The right hon. Gentleman is perfectly correct in saying that we must not have a Second Reading Debate on a matter which I believe is going to come before us very shortly.

3.20 p.m.

Mr. Hollis (Devizes) Never has the House met under graver circumstances than those under which it meets at this moment. Yesterday my right hon. Friend the Member for Warwick and Leamington (Mr. Eden) spoke with all the great authority with which, because of his position, he is entitled to speak, and emphasised the dangers of the international situation. What may be the day-to-day tactics and intentions of Bolshevik Russia, whether they will advance here or retreat there or hold fast in a third place, I do not know, nor indeed does anybody else know; but what is their strategy and their general plan of campaign is abundantly clear and has been laid down as clearly as Herr Hitler laid down his plan of campaign in "Mein Kampf" and has been as faithfully followed.

It is of the first importance that everyone in this country should understand what is that strategy. Some 100 years ago, Karl Marx laid down to his disciples two propositions—the first that the capitalist system must inevitably collapse and the second that it must collapse in violence, whether people wished it to do so or not. He said in his address to the workers: “You will have to go through 15, 20 or 50 years of civil wars and international conflicts.” It is important that everyone should understand that, from the Communist point of view, that is the period through which the world is now passing. Lenin, when he came along, specifically endorsed the words of Karl Marx. and said: “The existence of the Soviet Republic side by side with the Imperialist States for a long time is unthinkable and a series of frightful collisions between the Soviet Republic and the bourgeois States will be inevitable.” Mr. Stalin, in his turn, again endorsed Karl Marx and Lenin when he said: “The dictatorship of the proletariat is the rule—unrestricted by law and based on force—of the proletariat over the bourgeoisie.” That is the first point which everyone must have in mind in understanding what is happening in the world according to the Communist conception of things.

The second point, which everyone should have clearly in mind, is what is the role of Parliamentary Socialists in the scheme of things according to the Communist conception. We hear a great deal about what hon. Members opposite think of Mr. Stalin. What is perhaps more important is what Mr. Stalin thinks of hon. Members opposite. This is what he thinks of them: “The upper stratum of the proletariat, principally trade union leaders and Labour Members of Parliament who are fed by the bourgeoisie out of the super profits extracted from the colonies, is undergoing a process of decay.” That may not be what the Minister of Health, for instance, thinks about himself and it may not be, indeed, what we think about the Minister of Health. It is very important, however, that it is what Mr. Stalin thinks about the Minister of Health. We are all vermin together in Mr. Stalin's opinion. It is clearly laid down what is the function of the Parliamentary Socialists in “Problems of Leninism.” The duty of the Communists is first to put the Socialists in power, and then support them for a time as a matter of tactics whether they are right or wrong. Thus we saw the hon. Member for West Fife (Mr. Gallacher) and the hon. Member for Mile End (Mr. Piratin) troop obediently into the Division Lobby to support the American Loan because that happened to be the Party line at that time.

They support them for a time and after a time they turn against Parliamentary Socialists, having first rendered them impotent by creating divisions amongst themselves. After that they turn them out. That is the way the Communists got into power in Russia, in Czechoslovakia, and that is the way in which they divided the Socialist Parties in France and Italy. That is the reason why it is important and of profound concern that we should look to this country. Take the Foreign Secretary. We have our differences with the Foreign Secretary from time to time, as we are entitled to have, but when the Foreign Secretary speaks for England, as he sometimes does, then he can confidently count upon the support of hon. Members on this side of the House and upon the support of all men and women of good will in this country. But can he count upon the support of the Secretary of State for War? That is the disturbing threat with which we are faced.

There are two historical truths about Communism—one that the Communists have never yet won an election where they did not count the votes themselves; and, second, they have never got into power except by turning out the Parliamentary Socialists. Some people imagine that they got into power in Russia by turning out the Czar. They did nothing of the sort; they got into power by turning out the Parliamentary Socialists. There is this grave situation with which we are faced and it does not become less grave if we refuse to face it. We are face to face with a fanatical militant power in the East of Europe. If hon. Members want to know what is the creed of Communists let me give a quotation from the well-known Soviet dramatist, Herr Brecht—from his “Punitive Measure”: “Who fights for Communism must be able to fight and not to fight, to say the truth and not to say the truth, to render a service and to deny a service, to keep a promise and to break a promise, to go into danger and to avoid danger, to be known and to be unknown. Who fights for Communism has of all the virtues only this—that he fights for Communism.”

Mr. Gallacher (Fife, West). Can the hon. Member say whether the quotation he read is from the works of Ignatius de Loyola?

Mr. Hollis No. [HoN. MEMBERS: "Answer."] Hon. Members did not hear me say "No." What more do they want me to say? Faced with a challenge of such a grave situation, we have got to remember that it does not become less grave if we refuse to face it. Though it is a grave situation all can yet be saved, as the Leader of the Opposition said in his great speech a few weeks ago at Llandudno, if the free nations of the world clearly make up their minds what are the tolerable limits of Russian power and insist upon those demands. A private individual cannot in detail say what those demands are or the exact time at which they should be issued, but on those conditions all can yet be saved. If that is done, then the peace of the world can be saved. Without it, it may not be saved. That is the first fact that we have to face.

We have to face the fact, brutal and unpleasant as it is, that we can only meet weapons with weapons. But it is also true that we can only meet ideas with ideas. A merely negative policy is, I admit, not sufficient. Dr. Goebbels, in the war, made one of his most effective contributions to propaganda when he said that the Allies were very clear about what they were fighting against, but they were by no means so clear about what it was they were fighting for. So, too, if we are to save the world, we must have an idea with which to meet an idea.

Our complaint against the Government, both in general and in this Gracious Speech in particular, is that there is no idea present in their minds with which to meet the idea of Communism. First, we have a reduction in the veto of the House of Lords—would that make Mr. Vishinsky shake in his shoes? Supposing there had been a great constructive constitutional proposition for reforming the House of Lords, that at least would be something, but we have not got even that. The Lord President of the Council announces himself as perfectly satisfied with the present constitution of the House of Lords. There are only two people in history I have ever heard of who announced themselves as satisfied with the present constitution of the House of Lords—one is the Lord President of the Council and the other was the Duke of Wellington. It might be a surprise to the right hon. Gentleman to find himself, for once in a way, in such comparatively respectable company, and only 130 years behind the times. Then we have the proposal for nationalising iron and steel, a proposal first put forward by Mr. and Mrs. Sidney Webb as a method of winning the Boer War.

The idea of Socialism is not an answer to the idea of Communism, for this reason, that there are two sorts of Socialists: there is the Marxian apocalyptic Socialist who thinks that all capitalists are children of the devil and must be destroyed; there is the Fabian gradualist Socialist who explains patiently that, for a variety of technical reasons, capitalism has had its day and that all good and patriotic capitalists must come and help to build up the new regime. Hon. Members opposite have as yet, after two years and a half, not made up their minds which sort of Socialists they are, and until they make up their minds as to which sort of Socialists they are, it is quite impossible that the regime of Socialism will end in anything other than catastrophe.

So the world cannot be saved by Socialism in England, and still less can it be saved by the much more fantastic programme of Socialism in Western Europe. Of all unrealisms, the greatest unrealism was that of those hon. and right hon. Members opposite who said, "We will co-operate with the countries of Western Europe but, of course, we can only co-operate with the Socialist countries of Western Europe." Why was that so fantastic? Because there are not any such countries. There is not a single country in Western Europe which has a Socialist Parliamentary majority or has the least prospect of having a Socialist Parliamentary majority. It is a policy of co-operating with a ghost.

Those are the facts, whether we like them or not, and even history cannot be abolished to suit the convenience of the hon. Member for East Coventry (Mr. Crossman). So here we are. We want a counter idea to Communism and there is no such idea to be found in this collapsing half-way house of Parliamentary Socialism. There is indeed a grave and deep problem of this modern industrial civilisation which, for better or worse has grown up—the problem of giving to the ordinary man or woman a partnership in the largest sense of the word and a share in the life which he and she are called upon to live and the work they do. To all those problems the solution of nationalisation is simply irrelevant.

Whether the ticket collector, who has to stamp people's tickets, stamps them for the Great Western Railway or for British Railways, has nothing to do with the problem of giving him a full life one way or the other.

There are these grave problems of reintroducing a system of widely distributed property into England again, and introducing a system of partnership into industry. I would not for a moment deny that there have been welcome signs in recent months of supporters of the Socialist Government being concerned that a solution should be found for these problems, and so far as they have been concerned that a solution should be found for this problem, they have been critical of the legislation introduced by His Majesty's Government because that legislation has not found a solution. They have affirmed that they must perhaps have nationalisation of the mines, but that they must have a different sort of nationalisation of the mines.

The Industrial Charter is a document which is 50 years ahead of anything that has come out of Socialist legislation. Yet I do not complain of Socialists that they have not found a full answer to all the many questions of the modern world; I do not complain that they are not answering the right questions; I complain that they are not asking the right questions, that they have not yet got to the stage of understanding what are the problems of the modern world. In 1910, 38 years ago, Mr. Hilaire Belloc wrote a very prophetic book called "The Servile State," on the title page of which he inscribed the words: "You must either restore the institution of property or you must restore the institution of slavery. There is no third course." That may have seemed a fantastic prophecy 38 years ago, but much has happened since, and we have seen the institution of slavery coming back into our Europe on a scale incomparably greater than it was ever known before in human history. More and more it is obvious that the return of slavery can only be checked by the positive substitution for it of the widespread distribution of property, of a property-owning democracy. This House is waiting, the country is waiting, and the whole of Europe is waiting for a great trumpet cry summoning us to the defence of the immemorial traditions of Christian civilisation. Yesterday we did not receive that cry from the little speech of the Prime Minister.

3.38 p.m.

Mr. Ivor Thomas (Keighley). It is always a painful matter for a man to separate himself from those with whom he has been associated for many years, and I appreciate the way in which my colleagues of the Labour Party have treated me in this matter. From my reading of history I imagine that there has been a great assuagement of Parliamentary manners since the right hon. Member for Woodford (Mr. Churchill) crossed the floor of the House in the year 1903. This, as I say, is a painful matter but, in the last resort, the value of our Parliamentary institutions depends upon the readiness of individual Members to take what action they consider best for the country irrespective of the consequences to themselves.

The Gracious Speech contained much with which all of us will find ourselves in agreement, much that is non-controversial in character and which would, I hope, be brought in by any Government. There are, however, two matters of great contention in it, though really they are but one matter. In accordance with your Ruling, Mr. Speaker, I do not propose to deal with them in detail, but I should like to make a few general remarks about these two matters before passing to some still more general considerations.

The Prime Minister yesterday taunted the right hon. Member for Warwick and Leamington (Mr. Eden) for asserting that the time was unsuitable for bringing in the Iron and Steel Bill. I do not know myself what is meant by the nationalisation of iron and steel in general. That may be a fit subject for debate in the London School of Economics or in some other academic society, but the only Measure that the House of Commons can be concerned with is the only Bill for the nationalisation of steel that has been brought before us, and that is the one which has just been given a First reading. I cannot dissociate the Bill from the time in which it is brought in. To bring in a Bill for the nationalisation of iron and steel at this time, when there are such grave events abroad, calling for rearmament at home, and when our balance of payments is in such jeopardy, seems to me a wanton and reckless act. As for the Parliament

Bill, we all know perfectly well that the only reason for this Bill is to get the iron and steel Measure through. The more the Leader of the House asserted that there were other objects in mind, the more people seemed to think this could be the only real object.

It is perfectly true that nationalisation of iron and steel was mentioned in the Labour Party's electoral programme and I am bound to say that this seems the main reason why the Government are going ahead with this Measure. I am quite certain, however, that the wiser heads among them and among hon. Members opposite realised that this is a most unfortunate Measure at this time and they can well wish that some means could be found of avoiding this issue. But that is one of the difficulties of the right hon. Gentlemen on the Government Front Bench: they are so much the prisoners of formulas.

It is worth noting that the Labour Party's electoral programme did not contain provisions for the Parliament Bill. Indeed, in my submission, it said exactly the opposite. As I expounded this programme—and certainly no other explanation was vouchsafed to me—it was that, if the House of Lords rejected a Measure approved by the electorate, the Government would then take steps to curtail the power of the House of Lords. That seems to me entirely reasonable. If the House of Lords, for example, had rejected the nationalisation of the coal mines the Government would have been entitled to seek powers to amend the Parliament Act and to have gone to the country if need be. I believe that that was done in 1910. Indeed, the Government of that time went to the country on two occasions in order to get assent to the Parliament Act of 1911. That seems to be the entirely proper constitutional doctrine. I have long wanted to see a reform of the composition of the House of Lords, and if this matter had been settled by inter-party agreement, or if there had been a clear verdict of the people upon it, that would have been entirely reasonable; but if the Prime Minister and his colleagues, when they put this sentence into "Let Us Face The Future"—“We give clear notice that we will not tolerate obstruction of the people's will by the House of Lords”—“had in mind the present Parliament Bill, I am bound to say that they were guilty of political chicanery which I should not have expected of them.

Mr. Alpass (Thornbury) Is it not a fact that the hon. Member subscribed to that doctrine when he was adopted as Labour candidate?

Mr. Thomas That is exactly what I am saying. In this document I read: “We give clear notice that we will not tolerate obstruction of the people's will by the House of Lords.” I can see only one meaning in that sentence, which is that if the House of Lords. rejected measures approved by the electorate then the Government would seek powers to curtail the powers of the House of Lords. I certainly never conceived that there would be such a Measure as the present Parliament Bill to curb the power of the House of Lords in anticipation. That is all I wish to say on the Gracious Speech. The time to debate the various subjects in detail will come later.

On this occasion it is, perhaps, more appropriate to ask ourselves, "What is the nature of the society we are shaping as a result of the legislation so far passed and now proposed, and what is the type of men who will compose it? "When I try to answer these questions I am left profoundly uneasy in my mind. The most obvious result of the Government's activities in the past three years has been an immense concentration of power in the hands of the State and a corresponding weakening of the power of the individual to stand for himself.

Mr. Bechervaise (Leyton, East) Did the hon. Member vote for the Parliament Bill?

Mr. Thomas Looking at the records I see that I voted for the First and Third Readings of the Parliament Bill the first time it was introduced. These breaks come gradually. By the time of the special Session I was not prepared to vote for it. Now it is my intention to vote against it.

Mr. Crossman (Coventry, East) Would the hon. Member explain when it was that this feeling began to grow that what he had voted for was a piece of political chicanery, and what exactly it was that, between that first time when he voted and the second time when he did not vote, brought him to that conclusion?

Mr. Thomas The hon. Member must recollect that I did not say the Bill was a piece of political chicanery. I said that if the Government knew at the time their electoral programme was composed, that they were going to introduce the Parliament Bill in 1947, that was political chicanery. In the past three years nationalisation, economic planning, taxation policy and housing policy have all contributed to this result which I have mentioned: the concentration of power in the hands of the State and the weakening of the power of the individual. I do not say that this concentration of power has been deliberate, and most hon. Gentlemen opposite would be horrified if they could see the type of society they are unconsciously creating. They would deprecate it as strongly as the rest of us. If it was not the intention of Government policy it certainly has been the consequence of it, and it has now reached a point where it must give anxiety to all thoughtful men.

Let me say a few words under the various headings. First, I will deal with the Measures of nationalisation. I am certainly not opposed to nationalisation as such and, in answer to a recent interjection, I did, in good faith, pilot one nationalisation Measure through this House. The attitude of sensible men in all parties has always been that the public ownership of any industry is a question to be considered on its merits in each case. In the case of all the Measures of nationalisation so far carried out, I believe the reasons, on balance, were sufficient. Many hon. Members on these benches will not agree but I still think that, on balance, they were sufficient; I make no stronger claim. But the nationalisation of iron and steel and the still wilder schemes with which some hon. Members opposite are toying—[HoN. MEMBERS: "Oh."]—are in a different class from the public utilities. I refer to such questions as the land, of course.

This strikes me as nationalisation for the sake of nationalisation. It is dogma run mad. To dislocate the iron and steel industry at this time, when the national need is so great, is something that I find very difficult to understand and, perhaps, later in the Session I may have more to say about that. On this occasion what I am disturbed about is the immense gathering of power into the hands of the State which these further measures of nationalisation would give. It is not that the socialised sector of the national economy is yet so very great. I reckon that the capital value of the industries so far nationalised does not greatly exceed the figure proposed for capital investment for the next 12 months, £2,000 million. But the nationalisation of iron and steel, coming on top of all the other Measures we have had, will give the State a power of control over our economic life through the control of essential raw materials with which no persons, however well intentioned, or however competent, deserve to be trusted. Frankly, after the experience of the past three years, I have some doubts about both the competence and the intentions of right hon. Gentlemen opposite.

I am, however, much more disturbed by something other than nationalisation. That is the economic planning to which our national life is subjected; this vague. Amorphous—

Dr. Morgan (Rochdale) May I ask whether, in view of all the hon. Member has just said and the strict probity of his conscience, it is his intention to resign his seat forthwith?

Mr. Thomas I have consulted the constitutional doctrine and the precedent set when the hon. Member for North Cornwall (Mr. Horabin) was received into the Labour Party. I do not find that the Prime Minister, in welcoming him into the Labour Party, raised any question of his resigning his seat.

I was beginning to refer to the vague. amorphous control exercised by the gentlemen known as the planners, who are trying to make a land fit for zeros to live in. In the sense of studying the trends of supply and demand, planning is, of course, essential to every business, but there is a difference between planning which seeks to supply what the

consumer wants, and planning, with a capital "P," which tells the consumer what he ought to want. This is the Government's type of planning.

I was astonished some time ago to read of an answer given at a Press conference held by the Chancellor of the Exchequer, who is very fond of Press conferences—like the Leader of the House who has just gone out. I read that someone asked a very sensible question; why we did not buy £10 million worth of goods from France, instead of lending France —10 million to help her out of difficulties. The Chancellor replied that France does not supply the things we want. I do not know if the Chancellor has ever drunk a bottle of claret or eaten a little Brie or Fontainbleau, but certainly France supplies quite a lot of the things I want. The Government's economic ideas in this field of planning remind me of the man who kept a donkey——

Mr. Shurmer (Birmingham, Sparkbrook) We have let it go now.

Mr. Thomas There are still plenty left. It grieved him to see the donkey eat so much food, and he thought it would be an excellent plan if he could reduce the donkey's diet till, eventually, it could do without food. The plan went very well, but, just as he had accustomed it to doing without food, the donkey died. The poor British donkey is not dead yet. It is still allowed 81 per cent. of its 1938 imports and it is promised a "technically adequate," though "dreary," diet for the next 12 months. Perhaps in 1950, just before the General Election, it will get a carrot. If not, let the master take care, or the donkey may kick.

With nationalisation, a man does at least know where he stands, or he would if the Government could make up their minds about the relationship between Ministers and public boards. But, with planning, nobody knows where he is—except that the private manufacturer would soon be in Carey Street, if he followed the same methods as Whitehall. If I were a private manufacturer, I should feel strongly tempted to say, "If you want my business, take it and pay me out; but if you do not, for heaven's sake leave me alone." But the itching fingers of the planners cannot leave well alone. Their grasping hands stretch far beyond the confines of industry to the man who wants to run up a building for himself and the woman who keeps a pig, or a few hens, in her backyard. The system is supported by elaborate private police forces, of which we all know in our constituencies; and this is not the least disturbing feature of the system.

In the past, some individuals—too few, perhaps—have been able to resist the encroachment of the State because they have retained in their hands the assurance of economic independence; and they have been nuclei round which others could gather. But, on top of the universal control of our economic life, the Government are now wiping out the last vestiges of independence by confiscatory taxation. Not the least of the services rendered by Lord Catto to the country is his blunt warning to the Chancellor that personal saving is incompatible with the present rate of taxation. The disastrous effects on the capital re-equipment of industry were seen between the wars, and the social consequences are no less disquieting. [An HON. MEMBER: "Between the wars?"] Yes, I said between the wars, deliberately. Saving was very much reduced even under the rates of taxation at that time. I say the social consequences have become no less disquieting. Hard work, thrift and honesty no longer pay. The paths of duty today lead but to the tax-gatherer's office. The incentive of financial independence, which has been the mainspring of our economic life for centuries, has disappeared, and nothing has taken its place. Those who have no savings see no point in trying to accumulate any; those who have, are encouraged to spend them before the tax gatherer gets hold of them. The Government have created a paradise for the football pool and the bucket-shop; but they have undermined the foundations of our industrial greatness.

I turn to the fourth aspect I have mentioned, housing policy. There has been one form of saving against which the Government have acted with a harshness peculiarly difficult to understand; that is the ownership of a man's own house. For a man to own the house in which he lives is an expression of his personality. It makes him independent and self-reliant; it gives him roots in the ground and makes him and his family a stable element in society. The building society movement, which has made this possible, is the finest social service of the century. But do the Government

want their citizens to be independent and self-reliant? Or do they want them to be docile and obedient? Their housing policy would suggest the latter. They say to people without houses, "Only one of every four of you shall have a chance of owning his own house. The other three shall pay rent to the council."

Mr. Shurmer May I ask the hon. Gentleman how many people in his constituency can afford to buy their own houses at the present time?

Mr. Thomas The building society movement is exceedingly strong in my division and in neighbouring constituencies. I may say it is particularly evident in the West Riding of Yorkshire, where the virtues of industry and thrift that I have mentioned are still powerful. This policy has not only prevented the building of many houses which otherwise would have gone up, but it is turning the British working class, the finest working class in the world, into a proletariat.

If this analysis is true it is necessary to call a halt to the present drift towards the omnipotent State. We should aim not at the concentration of all power in the hands of the State but the widest possible diffusion of power. No Government, even though it were composed of angels and archangels—and certainly the present Government is not—can be safely entrusted in time of peace with the powers which the present Government seek to possess.

This wide diffusion of power can be achieved by refraining from further measures of nationalisation, by making the planners our servants instead of our masters, by reducing taxation to a point where saving again becomes possible and by encouraging the widest possible ownership of all forms of property, and especially a man's own house. If I mistake not, this policy approximates to that which is described by the Conservatives as "A property-owning democracy," and by the Liberals as, "Ownership for all." Before either of them coined these terms a member of a Kensington family of house agents, Gilbert Keith Chesterton, a twin soul of that Belloc who was quoted just now by the hon. Member for Devizes (Mr. Hollis), had thought it all out under the name "Distributism," and how right he was! Is not this a far nobler ideal than the Great Leviathan which the Government are creating? Does it not correspond more closely to human nature? Does it not offer far better assurances for the individual than the all-powerful State?

If I mistake not also, there are many hon. Gentlemen opposite who, although they may not express themselves vocally or in the Lobby, share this ideal. But they are powerless within the Labour Party to halt the drift to the totalitarian State——

Hon. Members Speak for yourself.

Mr. Shurmer Do not be ridiculous.

Mr. Thomas I am speaking for myself.

Mr. Shurmer Do not speak for me.

Mr. Thomas The hon. Gentleman speaks so often and so well for himself that I have no need to.

Hon. Gentlemen opposite like to think of themselves as carrying through a revolution, and so they are. But what sort of revolution is it? The French Revolution did, at least, give the world the ideals of liberty, equality and fraternity. The slogans of the Labour revolution appear to be utility, priority, austerity. One of the problems of revolution is that it is a chain reaction. There are always other revolutionaries behind, and today the Labour Party is being rushed into courses which its wiser Members deplore. The chief problem of the Labour leaders at all levels, from the shop steward to the Prime Minister, is the man just behind them who wants their job. [Interruption.] Probably hon. Members realise the truth of what I am saying. And the problem of the Labour Party as a whole is that the Communist Party wants its job. The Labour Party is: "Like one that on a lonesome road" "Doth walk in fear and dread," "And having once turned round, walks on," "And turns no more his head:" "Because he knows a frightful fiend" "Doth close behind him tread."

We have had before, a revolution in this country which was threatened by still more revolutionary people called the Levellers. This was suppressed by Cromwell, but there is no Cromwell in the present Government, and Praise God Barebones is today in control.

For long I hoped that a Labour Party, pledged to sensible courses of reform, would be the best bulwark against the evil flood of Communism. Today, I regret to see that it is no bulwark, but a leaky dam. For long I hoped that the Labour Party would give political expression to those Christian principles on which our Western civilisation is based. But I see that, whereas Christianity says, "What is mine is thine," right hon. Gentlemen on the Government bench say, "What is thine is mine." For long I hoped that the Labour Party——

Dr. Morgan You are a dirty dog. [Interruption.]

Mr. Churchill May I ask, Mr. Speaker, if it is in Order for an hon. Member to call another a "dirty dog?" I should like to be authoritatively advised.

Mr. Speaker I did not quite gather whether the hon. Gentleman was being called "a dirty dog" or whether it was some other expression. If the hon. Member for Rochdale (Dr. Morgan) did call the hon. Member for Keighley (Mr. Ivor Thomas) "a dirty dog" that should not have been said. It is out of Order and he should withdraw it.

Dr. Morgan If, in the circumstances, Mr. Speaker, you think that, after the remarks we have heard from the hon. Member for Keighley, I said anything which would reflect on the dignity of the House, I will willingly withdraw, and perhaps outside——

Hon. Members Withdraw.

Mr. Speaker In a withdrawal there must be no proviso.

Dr. Morgan I am making no proviso. I will make my provisos outside.

Mr. Speaker The hon. Member has withdrawn and I think he would be well advised to say nothing more.

Dr. Morgan I am quite prepared, Sir, to abide by your Ruling. If you think I have said anything to offend you, or the dignity of this House, I am prepared to withdraw.

Mr. Thomas May I say that I take no exception to it.

For long, Mr. Speaker, I had hoped that the Labour Party would be the best instrument for raising the standard of life, both material and spiritual, of the poorer classes of the community——

Mr. Crossman And for giving you office.

Mr. Thomas Really, I do not think it lies in the mouth of the hon. Gentleman to reproach me with seeking office. I see that right hon. Gentlemen on the Government side are bent on levelling down, not levelling up. But the heart of the country is still sound, and when it again has good leadership it will recover its place in the world. Even though no leadership has come from Downing Street in the past three years, the authentic voice of Great Britain has still been heard—as it was heard after Dunkirk, at Fulton, at Zurich, at The Hague and at Llandudno. And when that voice can again command action as well as attention, there will be a national revival which will astonish the world.
[Interruption.]

Mr. Speaker It is most improper for hon. Members to boo like that. It is most unparliamentary, and I reprove hon. Members for doing it.

4.0 p.m.

Mr. John Paton (Norwich) I am sure that the House will not expect me to make any comment on the arguments in the incredible speech by the hon. Member for Keighley (Mr. Ivor Thomas). I have a much more serious purpose today than to attempt to detain the House by making any examination of the feeble apologetics and special pleadings which we have just heard. No doubt some of the acid of his comments arose from eating sour grapes during the past few months. [Interruption.] Did I hear someone say "cheap"? Did anyone dare ejaculate the word "cheap," after the speech to which we have just listened? I have no doubt that the hon. Member for Keighley feels himself sufficiently rewarded by the enthusiastic plaudits of the Tories behind him. The labourer is worthy of his hire. I have no intention of pursuing the hon. Member's puerilities.

Before I come to my main subject, I wish to refer to the speech of the hon. Member for Devizes (Mr. Hollis), who I am sorry to see has just left the House. I was most interested in his discussion of Marxist philosophy and tactics. I have been particularly interested in recent months to notice how frequently Members of the Tory Opposition tell of their discovery of Marx, Stalin and Lenin. I would say a cautionary word to the hon. Member for Devizes, and to other Tories who are engaged in these studies. The strong meat of Marx, Lenin and Stalin is a very dangerous diet. To change the metaphor, I might say that the ferment which Marxism produces in the average mind is a most dangerous ferment for the average Tory. It would not surprise me, knowing what has happened often enough in the past, if one of these days we saw the hon. Member for Devizes, after the ferment has had time to work properly, crossing the Floor of the House, beating his chest, intoning "Mea culpa," and taking his seat by the side of the hon. Member for West Fife (Mr. Gallacher). To the Tories I say that this is a diet for strong minds and strong men.

The subject of my main comments is much more important. Like all others who have preceded me from these Benches, I congratulate the Government on producing a list of useful and beneficent Measures in the Gracious Speech. In particular, I congratulate the Government on resisting the agitation which has been conducted for months past by the Tory Opposition, and almost unitedly by the newspaper Press of this country, against the nationalisation of iron and steel. I am very glad indeed that that Measure has been included in the Gracious Speech.

There is one extraordinary omission from the Gracious Speech, which will be the main theme of my remarks. It would be incredible, if it were not true, that in that Speech, from beginning to end, there is not one word which indicates that the Government have any idea that there is a vast area of this world which we know as the Far East in which great movements of the most fundamental importance to the future of mankind are in progress or impending. They are great movements which face all the Western Governments of the world with large and immediate problems. They face this Government with great problems, for which we have a responsibility, particularly in Japan. Yet nowhere in the Gracious Speech is there a single word to indicate that the Government even know of the existence of such an area or of the problems involved.

That is extraordinary. About one half of the world and more than one half of the population of the world are involved in these great impending problems, and not a word is said by the Government. Of course, that is the attitude which has been adopted towards the Far East not only by the Government but by this House for the last three years. It is one of the most remarkable facts in Parliamentary history that in three years of Parliamentary time, with great movements of this kind in progress in that area, never once has there been any time allowed for a full discussion in this House of all that is involved. The reason is that His Majesty's Ministers responsible for the conduct of our foreign affairs have, very largely, adopted an attitude of defeatism with regard to the Far East. All our policies, so far as one can understand them, are policies of passive acquiescence in the dominating policies put forward by the Government of the United States. That may be an appearance that is unreal, but it is the only impression that anyone can get on this side of the world from studying all available documents and reports. It is the only impression one can get, because the

documents, reports and information are of a most meagre and unsatisfactory nature. Time and time again, I and other hon. Members have pleaded for fuller information on these matters. We have not yet got it.

In Japan there are only two possible objectives that can be pursued. One is to seek steadfastly, by every matter of policy to which we put our hands, to see evolved in Japan a stable, democratic, peace-loving community completely and permanently demilitarised. That is one objective which I want to see held constantly in view. The other is an objective of a totally different and indeed opposite character. It is the objective of building up in Japan a strong bulwark against Soviet Communism. That is an idea which implies a rearmed, militarised Japan, a Japan once again encouraged and fostered to the pinnacle of industrial power which we knew her to have reached before the war. But these two objectives are completely incompatible.

It appears to me, at this distance of thousands of miles, that in Japan there is a dithering about between one of these conceptions and the other. There appears to be no really fixed line to show what we want to obtain. It is true that the Military Government in Japan are bound to be obsessed more or less by one conception, and that is the intractable problems which they have to face in trying to reach a trading balance in foreign trade with Japan. It is obvious that it is inevitable, in the conditions existing in Japan, that the American authorities, who are mainly responsible for what is happening there, should seek to shift the burden which they alone are carrying. That burden is extremely heavy. It is said that this year America will have to contribute to the support of the Japanese people at least 500 million dollars. In the American phrase, that is not chicken-feed.

Therefore, it is more or less inevitable that there should grow up, not only in Japan but in the United States, powerful pressures demanding the speediest recovery of Japanese industry and the speediest rehabilitation of the system in order that it should become completely self-supporting. We see the tendencies in one or two recent statements which point largely to the intention and purpose of making Japan an economic colony of the United States. Recently there has been a Government Mission in Japan headed by Mr. William Draper. The Mission was known as the Mission for Japanese Recovery, and one of the statements in Mr. Draper's report to Congress was: "The United States, in its own interest, should assist in Japan's industrial recovery. Japan's industrial products are needed throughout the Far East." Though that may seem to be an unexceptional statement, behind it is the idea, perhaps more clearly expressed by Mr. R. C. Kramer, who until recently was one of the highest-ranking technical experts on the staff of General MacArthur. Mr. Kramer said: "American industry will do well to think in terms of dealing with Japanese industry instead of advocating its artificial restriction." He added that substantial American financial investment in Japanese industry could have many advantages. Then he said: "If American manufacturers were willing to make use of Japanese resources, they would be in a position to share in a market that would probably not be open to them otherwise." The same idea, expressed a little more clearly, appears in the comments in the current edition of "News-Week" the American review. Discussing what is known as the Asiatic Marshall Plan, the "News-Week" says: "The Asiatic Marshall Plan envisages Japan as the supplier of the finished goods for industrialising the rest of Asia and for raising its living standards." Again, that is quite an unexceptional purpose. The publication continues: "Japan—with the best industrial know-how, the widest trading experience and the most skilled labour in the Orient—can produce a maximum of goods for a minimum investment." I do not suggest that there is anything sinister in this American concern for the recovery of Japan and the expressed intention of trying to help that by American financial investment—not at all. It is a perfectly natural thing. The United States is now, perhaps, the only country in the world which is in a position to make large-scale and long-term financial investments in Oriental countries. It is the United States alone which has the power and the resources which can be turned to account for the rehabilitation of the Far East, and we know that, in the circumstances in which the American economic system is now operating, there comes continually in America an ever-increasing, almost day-by-day increasing, urge to find scope and new fields for the investment of American surplus capital. So it is perfectly understandable that this pressure should have arisen in the United States and that policies expressing it are now to be seen taking effect in the Far East.

While one admits the inevitability of this sort of thing, one must also ask: "Is our Government aware of these things? Does it understand the significance of what is happening over these great areas? Has it a policy of its own, and, if it has a policy, will it let this House know what that policy is?" Here is something that is of great significance not only to Japan, to Australia, to New Zealand and to China, but also to all the countries of the Pacific area, and we should remember that, in Australia, New Zealand and China, and, in fact, in all those countries in that great Pacific area, there are grave doubts and great uneasiness about what is happening in Japan, because they are vitally concerned about questions of security. I want to know, and I am entitled to ask, as I have asked many times before, what is the Government's view with regard to these matters. I have tried in this House to obtain statements on this subject, but never yet have I succeeded. We must be conscious of this when we are talking about Far Eastern areas, because we are not only concerned with important issues affecting those countries which I have named, but we are also concerned with issues that affect every country in the world, Great Britain not least.

Americans continually express a conception that the main element in Japan's economic recovery is an immense development of the Japanese textile industry—not a mere development, but an immense development. I need only remind the House how closely our great cotton areas in the North of England are concerned in questions of this kind. Let me quote to the House one passage from a recent report which may indicate the significance of this aspect of the matter. I am going to quote from an article by the Textile Correspondent of the "Manchester Guardian," which appeared in that paper on 12th August of this year. This is what he said, and I invite the House to consider what is involved in this report: "The American faith in Japanese textiles is less unfounded than it was 18 months ago. Then the talk was of textiles providing 80 per cent. of Japan's exports. The latest figure in the report to Congress by Mr. Draper, Under-Secretary of the Army, was 57 per cent. That is still a big change from the position in 1939, when about 37 per cent. by value of Japan's exports were textiles. Raw silk then provided well over a third of the textile trade, and the Americans have given up hope of rebuilding it—in Mr. Draper's estimates it was reckoned at only 8 per cent. of the textile exports. Manufactured textiles are therefore expected to provide 53 per cent. of Japan's future exports, against 23 per cent. in 1939." I ask the House to appreciate what that must mean. In 1939, and in the years preceding it, the textile industry of this country had been driven out of market after market throughout the world because of the competition of Japanese manufacturers. Who does not remember that, round about 1930, Japan entered the rayon industry with absolutely no experience and not a scrap of machinery, against the established industries of Britain, France and the United States, and in the space of three years, starting from scratch, became the greatest rayon exporter of the whole world?

Let us just think, in view of this balance of emphasis of the Japanese economic system which is now proposed and this heavily inflated textile industry, what, in the light of experience which we had before the war, we are likely to endure in the future when this purpose comes into full fruition. It will inevitably mean that those promising markets opened up to our exports in recent years in East Africa and in parts of the Asiatic world will go. It will inevitably mean Japanese exports flooding the whole of the Western world with textiles—and who in this House can say that our textile manufacturers and workers in Lancashire are capable of standing up to the kind of competition which we knew before the war?

I mention this matter in order to show the immense importance to us in this country of what is happening in those areas 14,000 miles away, and I want the Foreign Office and the Government to show now that they really understand the urgency and importance of this question by informing the House at the earliest opportunity what view they take about it and what proposals they intend to make.

In what I have to say finally, I want rapidly to run over some suggestions that I venture to throw out to the Government for consideration. I am not so foolish or dogmatic as to think that, with the meagre sources of information which we have at our command in this country, and even with all the mass of documents and the impressions which I accumulated on my visit to Japan last year, I can offer the Government hard proposals for their

acceptance, but I venture to throw out certain tentative suggestions which I think are worthy of consideration. I put them no higher than that.

First, everyone must agree—and I have no complaint against the Government in this direction—that Japan cannot and must not be treated in any vengeful way. The 78 million of the population of Japan, we are all agreed, must be given the means to create within their own country a viable economic system which will give the people a sufficient standard of living. That is common agreement. On that basis, what should we do? In my opinion, the lines upon which we should proceed are these. First, Governments should work out what Japan must have in industry, so that she has sufficient variety and is not over-weighted on any particular side, but has a wide spread of essential industries to ensure social stability and a reasonable standard of life. That must be worked out.

Secondly, I think this must be planned. I regret to use that word, which so often acts as the red flag to the bull with hon. Members of the Opposition, though in this connection I have no doubt that they are prepared to accept it and to agree with it. This business must be planned with full consideration for the security and economic needs of the other countries of the Pacific, because it would seem to me to be the worst possible kind of treason to the things for which we fought in the last war if we built up Japan to make her once again a menace and a peril to her own neighbours in the Pacific.

Thirdly, I think her industrial production should be directed less to the production of consumer goods than to the production of capital equipment, particularly civil engineering plant and the implements and materials so badly needed for the restoration and development of the Asiatic countries and Japan herself. It is no good, contrary to what many people seem to think, flooding countries like China and other countries in the Pacific area, which have been devastated by Japan, with modern technical equipment requiring high skill in its use. We should supply them with the materials they are accustomed to use, such as textile plant. They are well accustomed to textile machinery and manufacture, and they are themselves skilled in such production. Therefore, I would limit reparations of a machine kind to the type of machinery which the technological state of development of these countries permits them to use in the most effective way.

I would concentrate on what I have called capital reconstruction goods, the things that are necessary for road-building, for an immense extension of the railway system in the vast areas of China, agricultural machinery, cement and building equipment of all kinds. That sort of thing seems to me to be a much more hopeful way of aiding Japan to make her own way in the world, and, at the same time, the most sensible way of dealing with the reparations question. But all this ought to be planned now in relation to her resources and the needs both of herself and her neighbours.

Finally, it is no good planning the Japanese economy along the lines which I have been indicating, or setting up this system which I have suggested, unless we ensure in the Peace Treaty, when we sign it, that a supervisory authority remains behind in Japan, on behalf of the Allied Powers, to see that that plan is properly and fully operated. It seems to me that it is only in this way that we can give Japan a self-supporting economy which will be no danger to other industrial nations, but will ensure her own well-being and provide her own people with the chance to develop to democratic responsibility.

If we proceed on the other lines and give Japan a free head in industrial development, and if, as the Americans say, we "fall for" their own idea in Japan of free enterprise, unfettered and unchecked, all that we shall get will be a Japan emerging in a short space of time in the conditions that will make her people a ripe plum ready to drop into the mouth of the Cominform. The only way in which the Japanese people may emerge into a full fruitful existence, in the democracy which we now see beginning in that country, is to establish stable economic conditions which will give the people not only a sufficiency but the hope of more. These are the conditions that alone will ensure the final emergence of a peaceful and demilitarised Japan.

4.40 p.m.

Mr. Clement Davies (Montgomery) We have heard during this Parliament a great variety in the Gracious Speeches from the Throne, but the one just presented to us is, with two exceptions, a very tame affair. These two exceptions stand out in a whole series of what I might call small but quite necessary Measures, which I do not suppose will arouse much opposition from one side or the other. I welcome that, and I welcome the spirit in which this Session has been started. I only hope that it will continue in that spirit, although I fear that it may develop into fierce acrimony and, possibly, bitterness. If it does, I shall regret it very deeply for, without a doubt, the dominating question—and one which overshadows everything else—is the international situation, not merely in Europe, but, as the hon. Gentleman the junior Member for Norwich (Mr. J. Paton) so eloquently and so forcibly said, there is a somewhat similar situation still unsettled, and still fraught with danger in the Far East.

I should have thought, therefore, that this was an occasion, above all others, when there should be as much unity as it is possible to have, not only throughout the country, but in this House, and that any unnecessary disturbance of that unity was, to put it very mildly to be deprecated. It is important that there should be not only unity in the expressions we use through the mouth of the Foreign Secretary in relation to foreign affairs, but that, as far as possible, there should be the appearance of unity. That is why I think that the two Measures to which I shall refer later in my speech are deeply to be regretted.

The big issue that confronts not only ourselves but the whole world is, what is to be the future of us all, no matter to what country we belong? What kind of Government shall we have, and what is the extent of the freedom which we are all entitled to enjoy? The dominating matter for us is the clear determination of us all, no matter to what party we belong, to maintain, defend and preserve the freedom that has been won for us. Therefore, I deeply regret that, in spite of all the discussions which have taken place in Paris, the whole thing has once again been rendered futile by the action of Russia in still pursuing her course of antagonism towards all countries, all peoples, and all Governments that do not accept her form of government, and her view of life. She is still determined to do her utmost to destroy, either openly or by sabotage, all forms of government with which she does not agree. That determination has undoubtedly dictated her action in Paris in once again making use of the veto.

The question of the veto reminds me that the whole world has paid a very heavy price for the policy of appeasement at Yalta and subsequently at Potsdam. Once again, we are learning the lesson that if we abandon the principles which should guide us, we may gain a temporary advantage, but in the long run, it will lead to inevitable disaster. We experienced that prior to the last war, and that is what is happening now. What it meant was that of the nations forming the United Nations organisation, some were to be within the law, subject to the law, and bound to obey the law, while others were entitled to be above the law. That is contrary to every principle of justice ever known.

I am glad to think that, at the time, some of us did protest against it. No protest came from the majority in this House who were then supporting the Coalition Government; no protest, so far as I am aware, came from the Members of the Labour Party. But I am proud to think that the Liberal Party as a whole went as a deputation to see the then Foreign Secretary, the right hon. Member for Warwick and Leamington (Mr. Eden), to protest, and to warn him of what we considered would be the inevitable result of introducing this system. The answer was that if we did not give way on the point, Russia would remain outside the United Nations organisation. I honestly believe it would have been better for everyone had she remained outside from the outset instead of pretending to be within the organisation and then destroying it from within by her arguments.

I do not think that any of us, or any free peoples anywhere, have any quarrel with the Russian people as such. We realise what they have been through, and the sacrifices they have made. But let there be no misunderstanding about the fact that we differentiate between the Russian people and the Russian form of government. To our minds, that form of Government is the most monstrous tyranny that has ever been introduced anywhere. They are determined to

bring everybody under their heel and to destroy freedom, as we understand it, whether of conscience, of speech, of the Press, or of anything else. There can be no appeasement or any understanding with a form of tyranny of that kind; there can only be a determination that any attempt to introduce it beyond the Soviet boundaries in an endeavour to interfere with us, will be met with a strenuous and undying opposition on the part of every person in this country.

I now wish to pass to the two Measures to which I referred earlier in my speech. Once again, we shall have to deal with the Parliament Bill. May I make one further appeal—this will be the third occasion on which I have made it—that another effort should be made to bring the parties together so that this question may be settled by agreement in the most reasonable way. It is not too late to do that. Instead of having these divisions, a change could have been brought about in our Constitution as it has existed from the very earliest times, indeed, ever since Parliament was first called together by Simon de Montfort and, later, by Edward I.

Agreement could be brought about overnight. It would have a wonderfully steady effect on public opinion in this country and an amazing effect throughout the Commonwealth, because I am sure that those countries do not understand these disputes. They would welcome a greater unity in this House, faced as we are at the present time with these tremendous problems. It would also have a great effect upon Europe. Constitutions are falling. We should show them that we could set up an improved Constitution which would make the democratic institution better than it ever was before. I believe it would have an effect not merely upon America and the other free nations, but even upon Russia itself. I make this appeal that once again we should come together in order to settle this matter.

I do not know what moved the Government to bring in this Measure. The Lord President of the Council has denied that he brought it in to ensure that the Steel Bill would pass. On the other hand, there have been accusations that it was brought in for that purpose. It may have been; I do not know, but as far as I am concerned, I would much prefer to have this question decided once for all by agreement. I personally will deal with the merits of the Steel Bill when it comes before the House for Debate. I cannot be asked to shelter myself behind the Second Chamber, as the Conservative Party when they were in opposition from 1906 to 1914 sheltered behind that Second Chamber and destroyed and mutilated the Bills that were introduced. I prefer to use my own reason and my own arguments, and if I fail I prefer to appeal to the country rather than appeal to somebody else to protect me.

I appreciate the very proper Ruling that Mr. Speaker has given, limiting what can be said upon this issue. I shall confine myself very strictly within that limitation., One cannot dismiss this matter in a sentence, in the way right hon. and hon. Members opposite do. Any suggestion of the word "nationalisation" at once receives their cheers and, taking them in general, they say, "Yes, whatever you suggest should be nationalised, we are in favour of it." They can say, therefore, "We know exactly where we are." Any statement such as was made yesterday by the right hon. Member for Warwick and Leamington to the effect, "I shall be opposed to this nationalisation Bill, even though I have not seen it," receives loud cheers from the Conservative Opposition. Those are two points of view.

One party makes it a principle that there shall be complete nationalisation. I do not know whether that is still their view. It has been in their party programme from the very outset that they believe in the socialisation or nationalisation of all the means of production, distribution and exchange. That being so, one wants to know whether that is still their policy which they mean to carry out. One wants to know whether these Measures which have been brought in Session after Session are steps towards that end, or whether there is another reason. Has this matter been introduced into the Gracious Speech in furtherance of a political object and nothing else, or is it introduced as an economic Measure designed to benefit the country?

I would remind the Lord President of the Council of words which he has used, and incidentally which I have used; in fact, on one occasion I believe he adopted the very words which I myself had used: "I agree that, in the argument about nationalisation, there is the onus upon the party that is proceeding to nationalise, to prove that the nationalisation is in the public interest."-[OFFICIAL REPORT, 6th December, 1945; Vol. 416, c. 2637.] I hope to

keep the Government to those words. If that proof is lacking, then obviously this Measure has not been introduced for economic reasons, in order to improve production and get steel produced at a cheaper price; but it has been introduced for political reasons²⁰¹⁴; at a time like this, when the international situation is so uncertain and when it is incumbent upon us all to help to close the gap between our exports and imports. That gap still exists, although thanks to the tremendous efforts which have been made by the people of this country, it has dropped from last year's figure of something in the neighbourhood of £670 million to something like £280 million. Still it is a vast gap.

What is more, as is admitted by the Chancellor of the Exchequer and the President of the Board of Trade, the two members of the Government who have to deal with this matter, it is becoming more and more difficult every day to increase our exports and meet what has now become a buyers' market. It will be more and more difficult not only to close that gap but to get the raw materials that we need in order to keep the country fully employed and improve our economic position. Surely, at a time like this, no one would take any step that would be likely to interfere with the impetus which has arisen during these last few months to improve trade, and without being very sure that that impetus would not be slowed down and conditions rendered worse instead of better. We shall want to know the answers to these questions, and we are entitled to know them now.

What the country wants to know is this. Before the Government put the Iron and Steel Bill into the Gracious Speech, when they advised His Majesty that they were about to introduce it, in what way and how far were they satisfied that costs would be reduced by transferring this industry to public ownership? By how much will costs be reduced under public ownership? Will production rise or fall? Will the workers become more or less——

Mr. Deputy-Speaker (Major Milner) I am afraid the right hon. and learned Member is arguing in too great detail the merits or otherwise of this Measure.

Mr. Davies I bow to your Ruling at once, Mr. Deputy-Speaker, but without a doubt those are questions to which we all want to know the answer. We cannot rely upon the mere statement that everything will get better. The case must be proved beyond a peradventure. If not, then it will be evident that what the Government are doing is to carry out their own ideological policy instead of considering what is best from the point of view of the country.

The right hon. Member for Warwick and Leamington said yesterday that whatever was proposed in this respect, he would be in opposition to it. The position of the steel industry today is largely due to what happened during the period between the wars. [HoN. MEMBERS: "It has done very well."] Hon. Members may say it has done very well, but what have they done—what have the Conservative Party done? They have built up a monopoly. It is being carried on today under control, and, what is more, under that control nobody is allowed to come in—it is a sort of closed shop—unless the control allows them to come in. The control settles the place where the industry shall be carried on, who shall carry on a particular part of it and who shall not. Under that form of control the prices are settled. Where is the public control of all these matters?

What is more, hon. Members will say, of course, that production has gone up; but demand has gone up far and away more. Then comes the question of prices, but those prices are due, to a quite considerable extent, to the subsidy which is being provided by the public—the subsidy upon scrap and upon imported ore. The position cannot be satisfactorily left in that way, but whether the answer is to establish a stronger and a bigger monopoly is another question.

As you, Sir, have very rightly ruled that I can say no more on the matter and that I must wait for the Second Reading of the Bill, I will leave the subject, but I think I have pointed out how we, as a party, view this matter. We approach it in exactly the same way as we have approached those other Measures which have been brought before us. I would point out that there is a whole world of difference between coal and steel. Coal was not only the raw material but also the finished article. What is more, the coal is there and we have to go there in order to get it and to win it. Therefore, certain considerations apply to coal which could not apply elsewhere. We are now dealing with an entirely different

industry which, of course, economically should be placed in a certain position but which, subject to those conditions, can be carried on anywhere.

I end by making, once again, an appeal: if it is possible at this time, when conditions are so serious economically in this country and in Europe and the international situation is so threatening, it would be advisable that we should try to obtain as much unity in this House and in the country as it is possible to obtain.

5.3 p.m.

Mr. Keenan (Liverpool, Kirkdale) I want to make a few observations on the speech of the right hon. and learned Member for Montgomery (Mr. C. Davies) and on the items with which he dealt. I want also to address, as he did, a few remarks to the Government Front Bench. My remarks to the Front Bench will be opposite to his; I want to tell the Front Bench to take no notice of what was said about the Parliament Bill, and I hope there will be no question of bargaining about the Bill. Yesterday, with other hon. Members, I went along to the House of Lords, stood at the back and listened and observed what went on. In spite of all the changes which the Parliament Bill will make in lessening or removing some of the privileges hitherto enjoyed by the House of Lords, I am of the opinion that we have much more to do. I did not like the subordinate position which the elected representatives of this nation occupied yesterday at the back. We saw and heard all the gallant gentlemen with their ladies. I think the time has long existed when this House of Commons, elected by the people, should be first and foremost in everything within the State.

Mr. Beverley Baxter (Wood Green) Does the hon. Member mean that we should also wear robes?

Mr. Keenan I was robed somewhat similarly when I was mayor and I did not like it. I think I looked as I thought they looked—too much like Father Christmas.

Nearly every speaker has had something to say upon the international situation, and I think some hon. Members on my side of the House as well as most hon. Members on the other side have had to change their attitude. They have not been very helpful to the Government in the past couple of years. Those who deprecated the activities of the Government, those who tried to prevent the Government from retaining the Services in such a position that they were competent to defend the nation have done us a disservice. If I remember aright, the Leader of the Opposition, at the time when demobilisation was being discussed in this House and when everybody was impatient to get the men out of the Services, suggested that the number of men could have been reduced, or should have been reduced, to half a million instead of the rather more than a million which the Government then proposed.

I rather regret to have to make this observation, because in this matter I think we should all be together as a nation on the very important issues which confront us, but a complaint was made some months ago, after all that had been said in the past, that we were not in a position to defend the country. It was complained that we had run down the Services too fast. Perhaps we have, and it is regrettable that the international situation demands that we should pay more attention to them and that we should re-equip our Services and retain for longer periods those whom we have had to conscript for the Services—all at the expense of our industrial recovery.

That is regrettable, but I think everyone should realise that we have to stand together on both sides of the House against even those who may be amongst us who talk about being neutral pacifists. There can be no neutrality as things stand in the world as we see it today. I am not a warmonger: I have never been in the Services and I have always been anti-Imperialistic, but I want to see Great Britain preserved so that she can progress on what she has already done to improve the lot of our people who, I believe, are the freest people in the world. I want to see that freedom retained. We have to take a stand against anyone who talks in a loose way about neutrality. We have to be prepared to face up to the consequences of our position in the United Nations. We have to take our stand. I listened to the remarks made by the hon. Member for Norwich (Mr. J. Paton) and I wondered whether our weak position as a military and naval force at

the moment is not in some way, reflected in our inability to do the work suggested by the hon. Member, who deplored what was going on in the Far East and our inability to control it.

There are several items in the Gracious Speech about which I am particularly concerned and which I welcome. I welcome the whole Speech but I am concerned about one or two items, and one in particular, which it does not contain. That is the question of prices and profits, of which the Government have given their opinion and on which, they have admitted, they have shaped policy from time to time. I particularly want to say a word about this because it is having—and has had and will have—a tremendous effect upon the workers of our country. Prices are still soaring. The cost of living is still going higher and higher week by week. One has only to talk to housewives about the cost of goods at the greengrocers' and the grocers', particularly of commodities off the ration. Hon. Members would be surprised at the degree of exploitation that there is in these commodities. The Ministry of Food and the Board of Trade must pay some attention to the question of household goods generally, because all of us know that the margins of profit today in all branches of food production, and in distribution in particular, wholesale and retail, are higher than ever they were. It is about time there was a cut.

I emphasise this matter because the organised workers—and, indeed, the unorganised workers—have had to accept a freezing of wages. There are still industries in which attention has to be given to this matter, and in which increases must be paid to badly underpaid workers. I want to point out to the Ministers concerned that there are hundreds of thousands if not millions of our people whose basic wage today is £4 10s. If we want to prevent them from demanding—as they will continue to demand—increases in their wages, we have to reduce prices and profits. That is the best way to secure improved standards—by lowering the prices, which we all know and must agree, are higher than they reasonably ought to be.

I come now to the question of the Steel Bill. I think we have to put it through. There will probably be long hours of debate by night on it. I do not envy those who will be on the Standing Committee on the Bill. We spend uselessly much time in indulging in repetition of arguments on these nationalisation Bills. I am tired, for instance, of hearing all the arguments about the Parliament Bill. I have heard some Members make the same speech three or four times on it. I suppose we shall hear the same speeches made again. Now I want to address my remarks particularly to the Chancellor of the Exchequer. They will be conveyed to him, because I know that speeches of this kind are looked up. The question with which I am concerned is that of compensation. The fault in our nationalisation up to now has not been in the nationalisation itself. It has not been that we have taken over what did not require taking over. It did. Some of those things ought to have been taken over long before. The coalmines should have been nationalised over a generation ago; and, probably, it would have been better for the nation if they had.

What I am concerned about is the amount of compensation we are paying for the services taken over. What has nearly every Member on the other side of the House said in opposition to the nationalisation proposals? There was not much emphasis on the need or otherwise for taking an industry over, but on the question, "What can we make the nation pay for taking it over?" [HoN. MEMBERS: "No."] In my simplicity as a young man I attached some value to the Stock Exchange. Since I have been here I have been compelled to agree it does not mean a thing—that the prices quoted do not convey what the values of the properties are. I hope that when we come to talk about compensation in connection with the steel industry we shall not take the figure of 1948 but that of 1931. That is the price deserved, and no more. My party must take a rather tighter line on the question of compensation.

I hope I shall live long enough to see the land of this country nationalised. I hope to see it come about in the next Session of Parliament.

Mr. McKie (Galloway). In the new Parliament?

Mr. Keenan. Yes.

Mr. Shurmer With the same party in power.

Mr. Keenan An earlier speaker in the Debate talked about our standards not being what they ought to be. I have been nearly 50 years in industry. I started in it very early. In spite of all the difficulties and drawbacks, never were we better off than now, never had we the same security as has been secured under the Labour Government. Suppose we do nationalise the land and talk about paying fair compensation. Consider the values placed on it in all great shopping centres. As an old Socialist I am of the opinion that nobody is entitled to be compensated for land. I think the land ought to belong—as it does—to the people. We should not be compelled to pay outrageous prices just to live on the land of our own country. I have heard from time to time Debates in this House upon compensation for what damage was done to property in the Far East, particularly Malaya. We have to remember that in the defence of this Empire and of our country in the past millions of young men have lost their lives. Hundreds of thousands lost their lives in the last war. Did they win the fight? Did our young men defeat the Kaiser and his millions in the first World War and destroy Hitler in the second only for the sake of coming back to this country to be miners, or textile workers, or dockers? Are they not entitled to more than that? Surely, they are; and that is the spirit of this age. There is a growing knowledge and understanding that the people who produce the wealth, who do the hardest tasks, are entitled to more than they are getting in return. Compensation for nationalisation is often paid to people richer than they ought to be; and to over-pay compensation is to paralyse a nationalised industry because of the charges it thus has to meet before it can pay its way.

I want to remind our opponents, the Conservatives, of something they have been asking with a great deal of justification during the last two years. The hon. Member for Wood Green (Mr. Baxter) has often asked it. He is smiling now in anticipation of hearing it repeated. What he and other Conservatives have been asking is, "Who will do the dirty work under Socialism?" I would remind the House of the great contributions which the State has made to all the professions, to all the educational establishments, universities and the rest, so that anybody, no matter whose son or daughter, is provided with the opportunity to go to one of those establishments to be trained for one of the professions. The people who benefit in that way are indebted in a very large degree to the rest of the ratepayers, if they are at local schools, or to the taxpayers for the assistance which they get from the State in their training.

We have seen what the professions have been getting in the way of advancement during the last few years, and I want to remind the House of those who do the dirty work under Socialism. The tendency of this age, which is characteristic not only of our generation but of the generations which preceded it, is for every one to look for a job which is easiest and most comfortable, and the job in which he does not have to soil his hands. In the past, the wiser ones, or the more sheltered ones, were able to get them. That has been altered as time went on. The time is not far distant when those engaged at the docks, in the textile industries and all the difficult jobs will think in terms of salaries and wages paid to those more comfortably employed.

I welcome the Steel Bill. The Government, by its introduction, are more or less completing what we promised in "Let Us Face The Future." It is, however, by no means the completion of what we intend to do. The things which we have done and those which we intend to complete, as we promised, in this Parliament are something for which I feel the electorate of this country will be very grateful to us. The Government have shown courage in coming along with the Steel Bill, and I wish it a speedy passage and every success.

5.24 p.m.

Mr. Peter Thorneycroft (Monmouth) I rise to make a few observations on the courses which the Government propose during the coming months. I followed with interest the remarks of the hon. Member for Kirkdale (Mr. Keenan). Like almost every other hon. Member who has spoken in this Debate, he was critical of the Government. I think that so far, the Government are having rather a bad day. I would commend this thought to him: I do not believe that he realises the immense amount of damage which he is doing in the country by making the kind of speech which he has made in this House this afternoon. He talked, for example, about the confiscation of land——

Mr. Keenan I did not suggest confiscation. I suggested that we were paying too much compensation, but I did not suggest confiscation because that is entirely opposed to what my party stand for.

Mr. Thorneycroft Within the recollection of the House, in the case of industry generally, the hon. Gentleman said that the right year was 1931, a year which, as the House will recollect, was after two years of Socialist Government when everything was at its very lowest, and when, in the case of land, actual confiscation was proposed without any compensation whatever. I say to the hon. Gentleman and to the party opposite generally, that it is no good a Minister like the Lord President of the Council talking about what he calls a mixed economy and saying that large sections of industry shall go on under private enterprise, if members of his own party are suggesting that the savings and investments in industry are liable to be confiscated or taken over at far below their real value. That is muddled thinking on the hon. Gentleman's part. If he believes in that kind of thing, then the honest course for him to take is to move a few paces further back and sit alongside the members of the Communist Party, who are quite honest about it. We should then all know where we are.

I would follow that up by saying how much I appreciated the speech made by the hon. Member for Keighley (Mr. Ivor Thomas). The hon. Member made a speech of great courage when he said what he knew about the men with whom he had worked and their real intentions, and the more I listened to him and the more I listened to the hon. Member for Kirkdale, the more I realised that what matters is perhaps not so much what is in the King's Speech as what has been left out of that Speech. It is perfectly obvious that other matters, including the nationalisation of land, are very prominent in hon. Member's minds. I believe that the hon. Member for Keighley, whose speech was naturally disliked by hon. Members opposite, represented the views of hundreds and thousands of people who voted Socialist in the last Election. I believe that a lot of them thought that the Socialist Party was interested in the security of the individual, individual liberty, and things of that kind. Many in the Socialist Party realise how mistaken that view was, and now the hon. Member for Keighley realises it. I believe that the country is increasingly realising how mistaken that view was, and that the speech which he made today will go a long way in clarifying thought on that matter.

I am going to speak for a few moments on the same theme as the hon. Member, which was also the theme taken by my hon. Friend the Member for Devizes (Mr. Hollis). What matters to my mind in this discussion is to find out the true relationship between the Communist way of doing things and the Socialist way. When the Government reply to this Debate, what I want to get from them is not their views on Bills about bird life and things of that sort, but why they think that what the Socialist Party in this country is going to have, is something quite different from what the Socialist Parties in other countries have. That is what we want to hear from them. Let me take the background behind this proposal.

Abroad, the position could hardly be graver than it is. In many parts of the world, a situation not far short of actual war exists. At home, whatever people may say about rounding recovery corner, etc., we are still borrowing millions of pounds, and that was before the Foreign Secretary announced the need for an urgent and dramatic rearmament programme. There could hardly be a graver situation either at home or abroad. In view of that situation, I waited anxiously to hear what were the proposals which the Government would put forward for the coming months in the way of legislation and so forth.

There were, I think, two views in the Socialist Party as to what ought to be done. There were some members of the Socialist Party who thought that a halt ought to be called in the spate of legislation and in the nationalisation of industries. They thought that we were suffering from too much Socialism. Another school of thought considered that we were not having anything like enough Socialism and that the Government ought to be more realistic and brutal about it. I think that the hon. Member for Kirkdale shared that view. I think the Lord President of the Council was the one who thought we ought to call a halt; he thought that if the Socialist Party came out for a policy of peace, retrenchment and reform, that would be electorally popular. And I think he was right. At this moment, if the Socialist

Party—I hope they may not perhaps take the tip from me—called a halt to nationalisation Measures and said they were going to consolidate the industries they had already taken over, their popularity in the country would go up by leaps and bounds. Fortunately perhaps for the party of which I am a member, that course was not adopted.

I realise that the Lord President and the Chancellor of the Exchequer have fought a very hard battle inside the Cabinet to get the course of moderation followed. I do not imagine that anybody with knowledge of the facts would willingly embark upon the nationalisation of the steel industry at this particular moment. I cannot conceive that the Chancellor of the Exchequer would willingly commit a folly of that character, putting in jeopardy the whole of the export drive about which he is always talking. I cannot conceive that the Foreign Secretary would dream of supporting such a suggestion, knowing that what we want at the present moment is a great drive in rearmament, the whole of which is put in jeopardy by the nationalisation of the steel industry. If the steel industry were to fall into the chaos which exists in the coal industry, then it is not only our prosperity as a nation but our very security which is in issue. It so happens that we are debating this matter on the very day that the first electricity cuts are being announced under the nationalised fuel and power concerns. I think the Government would have called a halt if they could. I do not think they took this course lightly. Only the most urgent pressure to hold their party together made them agree to what the Left Wing of their party was demanding.

The first lesson, therefore, of this King's Speech seems to be that the "go slow" or moderate school in the Socialist Party has lost the battle so far. The battle is going in favour of those who want more Socialism and not in favour of those who want to consolidate and build up the position already achieved. I did not think it would always be like that. I can remember in the years gone by a very considerable battle that used to be fought between Members like the Lord President of the Council and my right hon. Friend the Member for Saffron Walden (Mr. R. A. Butler) for what might be called the centre ground of politics, when sometimes it seemed that they were both saying the same thing. But not now. Now the centre ground, the theory of a liberal democracy, is no longer played by the Socialist Party. They have decided—and it is manifest in this King's Speech—that they intend to go forward with their full Socialist programme.

Now I make no complaint about that whatever. I think that a Socialist Party ought to stand for Socialism. Probably the majority of my party would prefer that. I find it much easier to meet that case, because I can argue with a man who believes in Karl Marx, but I cannot argue with a man when I do not know whether he stands for Karl Marx or Adam Smith; it then becomes extremely difficult. But now we know, and I think the action of the hon. Member for Keighley shows that he knows; and maybe others will follow the same course, because, increasingly, Members are beginning to realise on which side they are.

I turn, therefore, to exactly the kind of Socialism which is served up. I understand it is out of Order in this Debate to discuss the Steel Bill in detail; and anyway I do not intend to. But I do want to say this to my hon. Friends. It will not matter what arguments are put up against the Steel Bill; the Socialists intend to put it through despite any argument. [HON. MEMBERS: "Hear, hear."] I am glad to note that I carry hon. Members opposite with me. They are not concerned about the efficiency of the industry.

Mr. Shurmer Rubbish.

Mr. Thorneycroft I can assure the hon. Member they are not. They can see the efficiency of the industry now; they can see it is efficient at the moment; they are always saying so; tributes are paid by Ministers. They are not concerned about whether it is monopolistic. or in small bits, or whatever it may be.

The Joint Parliamentary Secretary to the Ministry of Supply (Mr. Jack Jones) The statement that we are not concerned with efficiency is quite untrue.

Mr. Thorneycroft I think the hon. Member misunderstood me. I want to meet his point seriously. I was not saying they were concerned not to keep it efficient. I was saying they were not concerned with the argument whether or not it was efficient at present; its present efficiency would not deter them from pursuing a course of nationalisation.

I always study the Socialist Party's little pamphlets on policy, because I think it is useful to do so. I have here a lovely one called "Towards Tomorrow. Public Ownership—the Next Step." This is what they say about this nationalisation problem, which shows how futile it is to argue about the matter. "The choice of industry will depend upon the yardsticks, or criteria, used. Should the most profitable be nationalised? Or the least profitable? The declining or the expanding? The most efficient or the least efficient? Those industries with many small or those with few large units? It would clearly be folly to use only one of such possible yardsticks. We have to decide which are the right yardsticks to use, and then apply all the relevant ones. Which are they?" Well! Under that they can have it any way. When a party which can produce stuff of this character has the effrontery to accuse the Tory Party of not having a policy it is the most astonishing suggestion.

Mr. Shurmer What is the Tory policy?

Mr. Thorneycroft In this Debate we are not discussing, nor would it be appropriate to discuss, the policy of any party except that of the Government. It is the Government's programme for the next year which is under discussion. However, as the hon. Member wants to know the Tory Party policy about this, it is quite simple. It would be to stop nationalising any more industries.

Mr. Shurmer That is not a policy. That is a negation.

Mr. Thorneycroft It is very much a policy, and I think a very good policy. I am bound to say that, so far, I think hon. Members would find it extremely difficult to justify the action which they now propose in the case of steel. I want to take the tests which they themselves have laid down for whether a nationalised industry is a good thing or not. They ask in this pamphlet: "Does it increase the people's power over their own economic destinies?" They would find it extremely difficult to justify that. Today, as the hon. Member for Keighley has pointed out, increasingly the consumer can go to only one producer. Gone are the days when he could choose between them. The House of Commons is no safeguard of the people's economic destinies in this matter. None whatever. We cannot ask a question about a nationalised industry—or hardly any question. If we write to a board we do not get any further information on the subject. The shutters have been put up on all these things; they have closed themselves in. Even this Anglo-American Production Committee will not be allowed even to look at one of the nationalised industries. Nobody is to be allowed to have a look at them.

Next the Socialists ask: "Does it lead to higher standards of life ...?" What has happened? What has happened in the case of coal, of electricity, of transport, and all the others? The price to the consumer has gone steadily up, and up, and up. There is no higher standard of life at all. The housewives are trying to get along, and on not very high wages in many cases——

Mr. Shurmer Tell us why.

Mr. Thorneycroft —while costs are increasing. Next they ask: "Does it lead to a more equal standard of life?" Well, does it, when everybody has to pay exactly the same price for coal at three or four times its pre-war cost? "Does it lead to a more stable standard of life, i.e., promote full employment?" The Minister of Health has said that if it were not for American aid there would be over a million men more unemployed as a charge on this country. Finally: "Does it open the way to extended industrial democracy?" We read the other day of some miners who because of absenteeism had been thrown out of a pit. They may have been properly dismissed. But look what happens to them.

They are not just thrown out of that pit. They are thrown out of the whole industry; they cannot work in the coal industry again. That is not my idea of industrial democracy.

But the Government propose to go on. I gather from what has been said today that they propose to go on with other things besides steel, probably taking over the land as well—which is, after all, another illustration of the way they play the Communist game. It has been the great cry of the Communists all the time to get the land, because if you leave the land it is a reservoir from which small private individuals can continually refresh the private enterprise sector in the economy. Therefore they say: "Take it over." First of all they say they are going to give it out to everyone, and then they collectivise it—"Give it out if you like, but do not allow this reservoir to continue." And so the Socialists propose to do that.

I do not want to speak about nationalisation, which has been discussed many times in this House. What is even more important than the Government's proposals in regard to nationalisation is what they propose to do about those people who are trying to carry on private business outside. I think it is this Government's policy deliberately to make it utterly impossible for private industry to carry on effectively. After all, you cannot break all the rules of a capitalist society and still expect capitalism to work. It is no good going against all the elementary basic principles, if private enterprise is to function, and then to call the result a mixed economy. This is not a mixed economy, but is chaos; it is chaos that is being deliberately produced.

Take one essential in a capitalist society, and that is that new people ought to be allowed to start in business. How on earth can anyone start a business today? A man cannot even keep chickens unless he had chickens in 1938, and if someone is allowed by one Department to set up a shop, he is not granted the licence for the goods he wants to sell by another Department. The first thing is to allow new entrants into industry, and that the Government do not propose to do.

Then, what about the rationing schemes upon which thousands of people are engaged, not only in the Government but in industry? How can the clothing trade hope to function under this monstrous machine, which was introduced to deal with shortage of clothing as compared with the amount of money in circulation? Pretty Well the whole of the rationing of clothes could be swept away to-morrow without any injury to anyone, and everyone knows it. Producers, buyers and retailers all say that practically the whole of the scheme could be done away with. Why are the Government not doing it? The next question is how to get the houses we want. I think that the schemes of the Minister of Health are admirable, if he wants to reduce the number of houses that are built. What is the good of expecting private enterprise to put up houses with a 100 per cent. development charge, which obviously removes the whole incentive to build and makes it impossible for the private sector of the building trade to work?

Finally, there is the question of savings. Industry has obviously got to be able to make savings in order that they can be ploughed back into industry. But everyone knows that if 30 per cent. of the national income is taken by way of taxation, it is impossible to expect another 20 per cent. to go into savings. The Governor of the Bank of England, who until recently was one of the Government's own servants, has told us in the plainest possible terms about that. What are the Government going to do about it? It is no good sitting back and saying we have a mixed economy. Either they have to produce conditions under which private enterprise can work, or they have to take over the lot and try to run it themselves, and judging by the look of them they will not be able to make much of a success of it.

Members opposite should make up their minds which side they are on. Are they for a Communist society, or are they against a Communist society? If they are for a Communist society, they will go on playing the Communist game and will go on nationalising one industry after another. They will go on making it impossible for private enterprise and industry to function, and they will go on gloating with Mr. Horner about the triumphs of 1921 and 1926—Mr. Horner has quite frankly admitted a subsidy to the tune of £2 million pounds from Russia—and people will go on sending money to the Communists in France and there will be other actions of that kind. If they are against the Communist

idea, then I suggest that they stop mouthing Communist slogans and this stuff about Karl Marx and nationalising production, distribution and exchange.

Members opposite are still talking about this pool of profits—they are talking about it all over South Wales—on which everyone is supposed to be able to draw and become richer without doing any more work, in spite of everything that the Chancellor of the Exchequer has said about it. What the Government and the Socialist Party have to do is to make up their minds whether they are going to move further to the Left or to the Right. There is every indication in the Gracious Speech that the Government intend to pursue their Socialist doctrine. If that be the case, they must go ahead and we shall meet them in argument and Debate, but let it be clearly recognised that the Socialist Party are not thinking about those hundreds of thousands of people who believe in a liberal democracy, with a degree of planning, social security and freedom, and where the skilled can get more than the unskilled and the enterprising more than the unenterprising.

I want to say a few words now about affairs outside this country. I am anxious, as far as it is possible, that the House should be united upon its foreign policy, and I think that to a large extent it is. We may have differed from time to time from the Foreign Secretary, but on major issues we have sought to lend our support to him, sometimes more than his own colleagues. The Labour Party have moved some way since they expressed their views about Russia and America two years ago. I have been looking again at the document called "Cards on the Table," but I think that this new document, "Feet on the Ground," is a little nearer to earth. I think that the hon. Member for East Coventry (Mr. Crossman) has moved pretty far since he published his document, "Keep Left." He is not here, so I will not pursue that matter any further.

In foreign policy we have to make up our minds which side we are on. We have to decide whether we are against or for the Communists. People have to make up their minds about that in Berlin, and we have to make up our minds here. If we are to avoid war, we had better be strong. In this connection, I am sorry that we have not had a more definite statement from the Government about military service. Is there to be 18 months' military service or not? That is a much more important question than a Bill about bird life.

We have to recognise that the United Nations have received very heavy burdens as a result of the events of the past six months. I do not say that the United Nations organisation is finished or that it has not served some useful purpose, but I do not regard it as an organisation which provides the Government with an excuse for "passing the buck." I remember a discussion on Hyderabad, when it was said that we could not have an answer because there was a committee of U.N.O. considering the matter. We have to realise that in Berlin, Malaya and Indonesia the battle has actually been joined. In Berlin, a brutal blockade is taking place. If we negotiate while it is on, we negotiate under duress. We agree with what the Foreign Secretary says about that, but we disagree with the attitude of the Secretary of State for War on this matter, and we think that the divergence of policy inside the Cabinet ought to be cleared up.

In Malaya, the Communists are again doing what they always said they would do, taking the Colonial Empire and exploiting its nationalist movement for Communist ends. The Colonial Secretary, whom I am glad to see here, was warned many times by the Conservative Party of what was happening in Malaya. He waited too long. Troops were sent out to Malaya untrained. It was all very well for the Secretary of State for War, when he was Minister of Fuel and Power, to make a mistake about coal, but we cannot afford to make mistakes about the training of troops. It is murder to send untrained troops into a fight.

It is not only in Malaya where this sort of thing has happened; it is the case in Indonesia as well. There is, of course, a genuine nationalist movement there, and it is one which the Communists are exploiting to the full. There is a good will mission from U.N.O. going around looking into this matter. I think that the Dutch ought to be given some support. We are using our arms in Malaya, and the Americans are putting arms into Greece. For goodness' sake let us lend the Dutch some support. My information is—and I am willing to retract if it is not so—that there is a ban on the

export of arms from this country to the Dutch at the moment. There ought not to be a ban. We must make up our minds, where the battle is joined, which side we support.

I have often heard speeches in this House about South Wales, about the misery and squalor there and the wicked things which the coalowners are supposed to have done. There is another story about South Wales which has not yet been told, but will be told one day. It is the story of a country in which there were many happy valleys, where honest, God-fearing citizens tried to do an honest job until Mr. Arthur Horner and his friends arrived and started to exploit every grievance, every mistake, to trade on bitterness and hatred and all the wicked emotions of mankind. He was successful in closing many a pit in South Wales. [HON. MEMBERS: "Oh."] I do not know whether Members opposite are for the Communists or against them, but I am attacking the Communist policy in South Wales.

What Members opposite plainly show from their interruptions, and what is clear from my own observations, is that there are hundreds of thousands of Socialists in South Wales who have climbed to power on the propaganda of Arthur Homer and his friends. If we are to defeat the Communists we must be clear that we are against them. Men like the Minister of Health must stop making speeches in South Wales which are indistinguishable from the speeches of the Communists. I do not believe that Socialists form a bulwark against Communism; I think they are a standing invitation to Communist attack.

5.55 p.m.

Mr. James Hudson (Ealing, West) I have listened to the greater part of the speech of the hon. Member for Monmouth (Mr. P. Thorneycroft), and I must say that if there could be any effective encouragement of Communism it has just been given by the hon. Member himself. His distortion of the Government's proposals as outlined in the Gracious Speech was designed to play into the hands of the Communists; as the Tories have no policy of their own it was designed to provide a further opportunity for criticism and attack of the Labour Party.

At almost every point of his speech the hon. Member failed to understand the proposals which are now before the House. He referred, for instance, to land, and said that apparently it was the Communists who had devised the first plans for the nationalisation or communalisation of the land. History, however, was full of proposals for communalising land long before the modern Communist Party was ever heard of, and the Labour Party, when the time comes to deal with this matter, will carry out its own programme. The Labour Party will fulfil the long promised intention of putting into the possession of the people of this country the land on which the general welfare of our community depends.

When the hon. Member dealt with private industry, and the attitude which the Government were adopting towards it, he made some particularly outrageous suggestions. He said it was our deliberate plan to destroy private industry, although he can see every day, in the newspapers, accounts of the amazing progress which industry after industry has made as a result of the plans which this Government have put forward. Look at the astonishing development and increase in productive capacity of the motor industry. The Government have always been prepared to allow any industry which is willing to play its part in the national programme the opportunity to play that part.

Every industry will have to be looked at at the proper time. I agree with the Lord President of the Council when he says that the question of nationalisation will be decided in each case as a matter of private policy. The nationalisation of iron and steel is being decided in that manner. From the point of view of national defence—on which I have not very much to say—and the necessity for having in the hands of the nation a commodity which, in the past, has been so much of a stimulus to war and war-making, the nationalisation of this industry is imperative.

Members opposite seem to think that because, for the time being, the iron and steel industry has extended its productivity and capacity that will continue. I reply that any extension that has been made is inadequate in view of the

situation facing us in this country today. Much greater activity is being called for, and if the workers in the steel industry—and undoubtedly they have done well in regard to increased production during the last few years—are to be told that the industry is to remain in its present monopolistic condition, so well described by the Leader of the Liberal Party when objecting to what the Government propose to do, it will be a poor reward for their recent efforts.

The right hon. and learned Member for Montgomery (Mr. C. Davies) agreed that the present organisation of the steel industry is an organisation entirely built up on the Tory concept of monopolistic control, and to keep it in that condition is as good as telling the workers, who have done so much and have pulled their weight for all they are worth, that their efforts are not appreciated. We are not prepared to put up with this, and I would inform the hon. Member for Monmouth that when it comes to justifying our case to the country, the men who are actually doing the job of producing the steel will be encouraged by what we are doing. We shall be able to encourage them, as we have already encouraged some of the private industries, to work to greater efforts than even has been done in the last few months with such remarkable results.

The hon. Member in the latter part of his speech dealt with foreign affairs, and he began to support with rather faint praise what the Foreign Secretary was doing. He immediately produced a case from the past that now cries out against him, for he reminded us of the time when the Hyderabad situation was before us. He mentioned that that matter had been referred to U.N.O. and he argued that it was a good thing that U.N.O. should be there in order to lay a restraining hand on the tendency towards war and further disagreement. Now that we know more about Hyderabad we see what the causes were, because most of it was hidden from us at the time when this matter was under consideration before. We know now of the nature of the rebellious forces which had to be dealt with, and we see the good that existed in the policy then pursued by His Majesty's Government, because we have done something to help to unite the Indian people on our side, as has been evidenced from the recent Commonwealth Conference. We have done very well by waiting to see what policy of accommodation and reconciliation could be effected. I am certain that if we had followed the policy of the Tory Party on that occasion, we should be nearer further division and further difficulty in India, than, in fact, we are.

Mr. Thorneycroft I do not want to raise a discussion on the question of Hyderabad, which I only used as an illustration. Does not the hon. Member, however, recognise that the arguments he is now adducing are precisely the same arguments as Hitler adduced whenever he seized a country and discovered revolutionary forces inside it?

Mr. Hudson The argument I am advancing is that we should try to find means whereby we can arrive at a rational decision and not rush into conflict at the first moment. To settle these decisions in that way was advanced long before Hitler, and even if Hitler did advance them—I do not know much about it—I am pressing my claim for a rational approach to this problem, which I would venture to call a Christian approach. It goes very much farther back in history than anything Stalin, Hitler or any of the other modern tyrants of the world have tried.

I support the foreign policy of the Government because I feel that the Government in foreign affairs—although there are difficulties especially from my point of view—and the Foreign Secretary have been pursuing a careful approach to the difficulties which face them. My right hon. Friend has tried to hold himself back from boiling over at the indignities he has to meet, and I want to say a word of support for him on the present occasion. Talking the matter over with him at a time when Mr. Vishinsky's speeches had been particularly aggravating and trying, I ventured to say to him that if he boiled over at those speeches, all that he and I stand for as well as what this party stands for would be of no avail in keeping us out of war. People laugh at that and call it a policy of appeasement if we try to keep out of war, but the need to keep out of war is above all needs the greatest that today faces us.

I am not prepared at this moment, though I may have words of criticism to advance at other times, to make any harder the position of the Foreign Secretary or to increase his difficulties in the policy he is following, nor am I prepared to listen quietly to the sort of speeches we have just heard from the hon. Member for Monmouth or from the right hon.

and learned Gentleman the Leader of the Liberal Party. He spoke about Russia today. I am willing to agree that a policy based upon a philosophy that is completely allied to the claim that the only way to settle the world is by the division of the world into two classes and that all our efforts should be based on the ultimate destruction of one class by the other, is one that will lead to a world at war.

Mr. Gallacher (Fife, West) rose—

Mr. Hudson I should like to finish what I was saying, because I know what the hon. Gentleman's interruption will be.

Mr. Gallacher I do not think the hon. Member does.

Mr. Hudson Perhaps I do. The Marxist conception as I understand it—and a great deal has been said about it today—is a conception that grew out of the understanding by Karl Marx of the way the capitalist system would inevitably work. The capitalist system brought out all those qualities of humanity that tended to lead to division between individuals and nations and inevitably to a class struggle as he called it. After that, the Communists devised a plan of development which depended upon that. All I have got to say about it is that if those Communists were building upon something that was right when applied to the capitalist system, they were building upon a philosophy which would pass away. There is something bigger to depend upon, for there are other voices to which we can listen. There are the unifying, reconciling voices of those who try to understand the difficulties of their enemies and who look at the point of view of the enemy. Those are the voices that are being listened to today. Although the newspapers may not have brought out clearly how the Foreign Secretary has himself approached his problem, I believe that he has been trying to do so in that light.

I am willing, of course, to put myself on the side of those who try to find a settlement of world problems on the basis of class difficulties and class differences. I say that given time we shall find the means, both in our own country and the world, of taking the gifts that God has made available to humanity and sharing them according to the claims of all peoples, all individuals and all classes. I am quite certain that on all benches in this House there are those who remember the claims for the brotherhood of man and the classless society, and those voices will be raised again, if we turn our hearts and minds away from the mere antipathies that have long divided us and the desire to find in the enemy the worst that the enemy can provide. Re-acting against the enemy's by an ill-will of one's own, one is constantly prevented from bringing about the better world that might be made possible. It is because I have the feeling that in the discussions that have been going on in Paris the Foreign Secretary has restrained himself when the attacks have been at their bitterest, that I think he is right, and I hope he will continue, as far as he can, in that process of thought and in the efforts that he has made.

Let me say a word with regard to Russia before I sit down. I have observed one weakness in the speeches of the Foreign Secretary, namely, that he seems to attach a great deal of importance to Marxist-Lenin philosophy as one that is leading to inevitable differences in the world. Yet I have to say that the philosophy of Marxist-Leninism has offered explanations to us in the Labour Party that have accounted for many difficulties in the modern world, explanations that we know are true. I am thinking, for example, of a book written by the Minister of Food called, "The Meaning of Socialism." In the bibliography to that book, covering many pages, will be found a list of books written by Marx, Lenin, Engels, and so on, showing what was the process of capitalist development. It is a book of the utmost value. I say it as one who tries to live from the point of view of the Christian. The book was of the utmost value, as Karl Marx's teachings were of the utmost value, for Karl Marx's teachings prove to the Christian that if one allows an evil thing—capitalism—to remain in the world, it will engender war and dissension in all its parts. One is bound as a Christian, as one is as a Communist, to try to get rid of that situation and secure by every means one can, the processes of agreement that are always open.

I believe we should persist in these efforts at reconciliation, that we should still try to find a means of meeting the Russians in their complaints about the atom bomb—and God knows they have complaints about it. I have said in this House before that the two men who let loose the atom bomb on the world, as well as the scientists who discovered it, and destroyed 115,000 lives by the use of two small bombs—the right hon. Member for Woodford (Mr. Churchill) and the President of the American community—have it on their consciences. In fact, the right hon. Gentleman said, that he took it on his conscience. As the Russians are now saying, I am afraid with some truth, they only let those bombs loose on the world when Japan had failed.

Mr. Eden (Warwick and Leamington) indicated dissent.

Mr. Hudson Those two bombs were carried by a couple of aeroplanes over Japan when there was not any longer the fear of any great attack by a Japanese air force because it was practically wiped out already. The Russians say, "You released them in order to intimidate us. You released them in order to show to us what devilry these modern things can do. Now with your stock piles in America and with all your talk here, you are really keeping these bombs as a means of attacking us." I think the Russians are still wrong. I think the Russians have to face up to the fact that there will have to be a general inspection of the world, and that they will have to take part in that inspection and throw open their boundaries so that all the world may know what is being done about this matter. But at least I am willing to admit the other fellow's point of view. I am begging hon. Gentlemen opposite, who talk so sneeringly about the efforts we are making to get a better understanding in the world, to look at the other fellow's point of view, because I believe that our Foreign Secretary is taking up that attitude, and I want to say these words as my small encouragement to him to go on with the struggle he is making to try to find a means of reaching some settlement of our differences and difficulties.

6.17 p.m.

Mr. W. J. Brown (Rugby) I will ask the indulgence of the House if I may, Mr. Deputy-Speaker. My throat is a little sore, but I think I can get through what I have to say if folks are generous to me. It is not often we hear in these days from the hon. Member for West Ealing (Mr. J. Hudson). I think it would be of advantage if we heard from him more, because, although I should want to qualify some of his interpretations of recent history, as well as some of his expectations for the future, no one could listen to that speech without being deeply impressed by his sincerity. It is a conviction of mine that sincere people can in the long run understand each other, however widely apart the points from which they began. I will come back to that point before I finish my speech. Given sincerity there can be a meeting ground; given insincerity there cannot. That is a factor of tremendous importance in the world today.

The Gracious Speech which we are discussing covers a wide field. It contains references to a good many small but useful Measures, and those we shall have the opportunity of discussing in detail later on. The one big Measure proposed in the Speech is the nationalisation of steel. On that I do not want to get involved in the clash between the two sides on whether steel would be more efficient publicly owned than it is privately owned. I will not embark upon the argument of whether steel production costs will go down or go up. I will not argue whether there is any analogy between this case and that of the coal mines, for the nationalisation of which I voted, or that of the Bank of England, for the nationalisation of which I also voted. We shall have the opportunity of discussing that when we have the Bill, and we have not got the Bill yet.

There is one observation of a general kind I would make. It is that when we come to discuss the Bill we should bear one aspect of the matter in mind. Such studies of history as I have been able to make have convinced me that it is only in the wide distribution of power within a community that the hope of freedom lies. That is to say that if we have all the power of a community concentrated in one institution, or one class, we shall find that there will be very little liberty left for other institutions and other classes. It does not matter a very great deal in the long run whether the class or the institution which possesses complete power be a monarchy, an aristocracy, a capitalist class, a collection of

trade union leaders, or a Civil Service bureaucracy. It is not the nature of the concentration that matters. It is the fact of the concentration.

All the struggles in England over the centuries towards liberty have been struggles to wrest away from some institution or class in England part of the power which was regarded as excessive. The aristocrats under the barons fought the monarchy for a share of the power for themselves. At a later stage the rising commercial classes under Cromwell fought for a share of the power for the mercantile classes. In the 19th century, the Chartist movement and the development of the trade unions represented an attempt to win a share of the power for the humblest classes in the community. In our day, the women of England have asserted and made good their claim to a share of the power. It is in the sharing of the power that liberty lies. Wherever there is a concentration of power, liberty dies. All power corrupts, and absolute power corrupts absolutely.

Dr. Morgan What about colonial policy?

Mr. Brown Perhaps I may be allowed to make my speech in my own way. From the point of view I am taking, we have to ask ourselves one question. Political power in England is concentrated in the State. A very great deal of economic power has now become concentrated in the State. The State has the railways, the coal, the Bank of England, electricity, gas and long-distance transport. I cannot reckon up while I am on my feet the number of men that that list represents who are in the direct employ of the State. Take all the miners, railwaymen, long distance transport men, busmen, electricity men and gas men, and then take the two millions who are employed in municipal and national government, and in the Civil Service, and we shall find that we now have an immense proportion of our people directly dependent upon the State for their livelihood. I was taught as a young man in the Socialist movement that "he who controls the means whereby I live controls my life." It will not help us to have an England in which, not merely the direct functionaries of the State are employed by the Government, but a very large proportion of the people of England. I do not care to take this point any further now, but I ask that when we come to consider the Steel Bill we shall look not only at the narrow calculations of profit or loss, and whether output will be a bit higher or a bit lower, and other such arguments, but that we shall at least have some regard to the undesirability of carrying the concentration of power in State hands further than it has been carried in the present Parliament.

Mr. Scollan (Renfrew, Western) Is the hon. Member advancing the theory that the employee of the State is more insecure and has fewer facilities for promotion than the employee of a private capitalist company?

Mr. Brown I have not mentioned that point at all. I was trying to put across an argument which I believe, rightly or wrongly, to be of considerable social importance. That argument is not concerned with the difference between the employment of a person by the State or by a Government board, public utility society, or by private enterprise and the rest of it. I would only add that if we get too much power in the hands of the State, there is security for neither public nor private employees. For an example of the lack of security in State employment when the State has too much power, let us look at what is happening in Czechoslovakia, and at what has happened in Poland and in every other country where the same conditions exist.

It is difficult for those who try to follow what is happening in the world to look at the King's Speech, drafted, I have no doubt, with the best of intentions, without a feeling of complete unreality. That is the feeling, the emotion, that arises in me when I read the King's Speech. The truth is that all our affairs at home and abroad are dominated and largely governed today by one central, fundamental consideration. It is the Communist challenge, throughout the world and at home, to the survival of the free peoples. It is time we looked that challenge squarely in the face and tried to assess its significance to us, as Englishmen living in the 20th century. That challenge takes on a triple form. First, it is an imperialist challenge. Secondly, it is a social and political challenge. Thirdly, it is a moral challenge. If the House will bear with me, I would like to say a word on each of these three heads.

So far as the first heading is concerned, if we compare Stalin's Russia with Czarist Russia, we find that "new presbyter is but old priest writ large." Exactly the same imperialist ends are sought by Russian foreign policy under the dictatorship of the Kremlin as were sought by the Czarism of Russia. If one goes back and picks up "The Times," say for 1850, one can take from it whole articles referring to Russia, and could re-publish them today, without the alteration of a comma, and with the substitution only of "Stalin" for "Czar."

Mr. McKinlay (Dunbartonshire) Why not quote the same paper in 1929–31?

Mr. Brown I do not understand the hon. Member's interruption. The Russian challenge is an imperialist challenge. It is an assertion of power politics at a time when other countries, and certainly our own, have been retreating from it. It is a challenge at a time when British imperialism—in inverted commas—is on the retreat, as it has been for the last three years in India, Egypt, Palestine, Ceylon and elsewhere, and even to a degree in the West Indies. At a time when British imperialism has been on the retreat, Russian imperialism was never more aggressive than it has been during the three years that have elapsed since the end of the war. To that challenge there is only one answer: we must defend ourselves against that kind of challenge when it comes from Russia, just as we would do if it came from anywhere else in the world.

The social and political challenge is a different one. In this country we draw our principal roots from two sources—from ancient Greece, and from the Hebrew culture. Plato, with his definition of "the reasonable soul," and the Hebrew prophets, with their conception of man as an immortal spirit, gave rise to values which have steadily more and more saturated the civilisation of the West as time went by. The ideals of Plato and of the Old Testament prophets, and the New Testament prophets, too, certainly did not achieve success overnight, but they worked like a leaven in society. They undermined slavery in Rome. They modified some of the worst features of feudalism in Britain. They were responsible for the decision to abolish the slave trade in the British Empire.

Dr. Morgan It was Christianity that did that, not paganism.

Mr. Brown I beg the courtesy of the hon. Member for Rochdale (Dr. Morgan).

Dr. Morgan,, rose—

Mr. Brown If the hon. Member is trying to make my speech for me, that is an impertinence. If he is merely interrupting, that is discourteous.

It is a condition of the Greco-Hebrew point of view—if you like, the Christian point of view—that because the soul is reasonable, and because man is more than what he seems, tolerance is the principal civic virtue of civilisation because only in tolerance could ideas be allowed to work themselves out, and prove, in controversy and time, which idea was superior to the other: Tolerance became the mark of civilisation. In a modern community that means that, although a government may beat an opposition, it must not murder it. It means that, although any government, whichever side it belongs to, may reject the point of view of the opposition, they must not suppress it. That means not to imprison, mutilate and liquidate opponents, or destroy the freedom of the Press, or establish an over-riding tyranny throughout every phase of life. That is exactly what Communism does whenever it wins the day. A triumph for Communism is synonymous with the destruction of every liberty that marks off a tolerant democracy from an intolerant and harsh despotism.

There is a third challenge—the moral challenge. What I mean by this is that the worst thing that Communism has done in the modern world is to rot and erode all those accepted values and amenities which form the basis of good intercourse between man and man. That is its worst crime. And if one looks at the doctrine one knows why. Marx, in

almost the last sentence of the Manifesto, lays it down that the existing organs of society can only be destroyed by violence.

Mr. Gallacher Which Manifesto?

Mr. Brown The Communist Manifesto.

Mr. Gallacher rose—

Mr. Brown I am not giving way.

Mr. Gallacher It is not true.

Mr. Brown The actual words used in the Manifesto are: “The Communist disdains to conceal the fact that his ends can only be obtained by the forcible overthrow of all existing social conditions.” That is quoted verbatim from Marx' Manifesto, and if that does not mean that the Communist works for the violent overthrow of existing society, it does not mean anything at all. Because that is its method, it follows from the beginning that the Communist Party must be a conspiratorial body; it must work as an underground army until it is time for it to emerge into the open, and that means that it must train its members in lying, in deceit, in the tactics of the smear; it must try to undermine in its members all those qualities of elementary honesty between man and man upon which civilised intercourse depends.

What is the result? Our civilisation certainly has many imperfections, but by comparison with modern Russia this is a paradise. Men cannot be trained in lying, equivocation, betrayal and the rest of it for twenty or thirty years, and then, the day after the revolution, be expected to turn into high-souled trustees of the public good. It does not happen. What we find after the revolution is that we are governed by thugs, and from then on the thuggery increases in mathematical ratio within the State. And so fearful is it of the comparison between itself and freedom that it must do its utmost to destroy freedom everywhere else. Those are the three challenges of Communism. and they have got to be taken up.

I know something of the trade union movement. I have spent all my life in it since I was a boy of 15 or 16, and I have seen the union movement over the years steadily eroded by this evil thing. I have seen it reach a point where it is splitting unions from top to bottom—and it is bound to. Take the Horner dispute at the present time. I, personally, have a liking for Homer. I think he has got many good qualities, but do not make any mistake about it. Homer, in his capacity as the secretary of the miners' union, should carry out the policy of the miners' union. Horner, as a member of the Communist Party, is bound to apply the Communist policy, whether that agrees with union policy or not. That is the situation in every union.

The Communist does not think in terms of votes at an election. Communism has not been elected into power anywhere in the world, and never will be. The Communist thinks in terms, not of getting five hundred Members of Parliament, but in terms of capturing key positions inside the organisations of existing society, and then perverting and subverting those unions towards the overthrow of the social order, which is what he desires. We have got to defend ourselves.

I am glad the Trade Union Congress today has issued a manifesto to the trade union movement calling upon the executive committees of the unions to cleanse themselves from the kind of penetration which is happening. We have got to defend the public service from infiltration and contamination. My own solution probably would be a little less drastic than what the Government would do. What we ought to do in the public service is to find all Communists and to put them in one department—preferably the Board of Control—and there let them fight each other instead of being a nuisance to the rest of us.

Dr. Morgan The Board of Control is not a department.

Mr. Brown Puerile pedantry will now instruct me ! It is a sub-department of a bigger department. I really knew that some time ago.

We must all the time distinguish between the Russian people and the dark and dreadful philosophy which inspires the activities of their Government today. I agree with what was said by the hon. Member who preceded me that wherever one goes in the world the common people do not want war. I was in Russia myself in 1927, and I found the Russians likeable, warm-hearted, friendly, kindly people with whom I got on extremely well. I found Americans warm-hearted, kindly people and got on extremely well with them too, even when I told them it was a pity they won the war of independence. The common people all over the world do not want war, but, make no mistake about it, in Russia the common people are in the grip of a tyranny where bayonets, not ballot boxes, govern. They have no rights whatever, and the secret police are omnipresent. As for the rights of labour, workmen are utterly denied even the rights of individual and civil liberty. Common people under those conditions do not get much chance of saying whether they want peace or not. They can be and indeed are hurled into conflict with people elsewhere, and so people elsewhere have to be ready to defend themselves.

I cannot believe that there are not tens of millions of people in Russia who hate the regime under which they live. I cannot but believe there must be millions of Poles and Czechs who have not ceased to be Poles and Czechs merely because their free institutions have been overthrown and they have been compelled into the Communist order. I would like to see this country not merely defending itself against the wild extravagancies of Mr. Vishinsky. Mr. Vishinsky is a man who is used to having his opponents surrender and plead guilty, and because of that he has scored many notable victories in sending his fellow countrymen to the gallows. I would like to see this country not merely answering the Russians point by point, but asserting its own policy. I believe that though there is an attraction in tyranny the attraction of liberty is greater. Long after those men who have kept the world in disorder for the last three years have gone, the Russian people will still be there, still a kindly, peaceful, honest and decent people, and it is with them that we ought to be concerned.

I have spoken longer than I meant to speak, and for that I apologise; I have said what it was in my heart to say, and for that I cannot apologise.

6.43 p.m.

Lieut.-Colonel Hamilton (Sudbury). The hon. Member for Rugby (Mr. W. J. Brown) began on domestic politics and went on to the international sphere. I propose to take the opposite order and to look first at the international sphere.

The hon. Member for South Leicester (Mr. Bowden) who moved the Address, spoke of how lamentable it was that all the high hopes we had in 1945 for collaboration between the great Powers to build a prosperous and peaceful world has now been so utterly damped. I think we must all share that, but I do not think the development is really very difficult to understand. We only held our high hopes in 1945 because we did not really understand the Russian point of view. We regarded them as friends as well as Allies, but I do not think they ever regarded us as friends as well as allies. They regarded our alliance as a marriage of convenience much as they regarded their pact with Hitler, something which suited us both for the time being but which did not in any way obliterate the fundamental hostility which they felt must exist between a Communist country and the countries which did not hold that creed, never mind whether they were Socialists or capitalists or what they might be; if they were non-Communists the Russians felt they must be out to destroy them.

It is no good being indignant with the Russians about that because it was the result very much of past history for which most of the great nations of the world probably are responsible. But it would be foolish not to recognise the fact that the Russians had this fundamental obsession that every one who is not a Communist is out to destroy the Communist countries. They have the further obsession that they do not believe any economy but the Communist

economy can survive for very long. If we bear those obsessions in mind and look at things from the Russian point of view with these preconceived ideas in mind, we shall find that all their actions more or less do make some kind of sense although to us they seem so unreasonable. The fact that they think we are out to destroy them makes them feel they must strengthen themselves against attack. The fact that they think our economic system will collapse in time makes them feel they must hasten its collapse if they can. The two facts together make them deeply suspicious and frightened of the Western Powers.

When one is dealing with any opposite party who is desperately frightened and suspicious it is a very difficult situation. We must all have found that if we have had any experience of dealing, on a small scale, with a single person, or even an animal, or, on a large scale, with a country. It is very hard to do anything right. If one is very firm the other party thinks all his suspicions are being confirmed. On the other hand, if one runs away, one does not gain credit, but the other party thinks he has got one more frightened than he is, and had better keep one frightened. All one can do is to exercise great patience and try to get over to the other party that one's intentions are friendly and not hostile and while trying to do that one must take necessary precautions against a sudden attack.

That seems to be the position of our country today. We are taking precautions, mainly of a military nature, and we are bound to do that. It is only a matter of common sense, but we must realise that those precautions do not carry us very far on the long-term basis of trying to resolve the suspicion and distrust between East and West, and we shall never get a peaceful world until those suspicions are dissolved. We shall only get the uneasy state of not being at war, which is what we have now, or even the existence of a cold war. The very taking of those precautions tends to increase the suspicions. It is a pity, but it is inevitable. If one loads a gun and points it at somebody from whom one expects attack, one may be acting purely on the defensive, but it is very difficult for the person at the other end of the gun to believe that one is only acting on the defensive.

It is not very surprising that when the Russians see us taking those precautions their fears are apt to be increased. For another reason those precautions are not very effective because by military force one cannot prevent the infiltration of an idea, and we are fighting an idea as well as material forces. The only way in which we can solve the long-term problem is to counter that idea by a better idea. On this side of the House we believe we have got that better idea. One or two hon. Members opposite taunted us with the fact that we were following the line of the Communist Party, or words to that effect. Partially no doubt, we are, in so far as Communism stands for social justice and for making the best use of the resources of our nation and trying to get the best distribution of them.

To that extent there is no difference between us and the Russians. But there is an enormous difference in the attitude towards freedom and towards democracy as we of the West have always understood it. We are in fact, literally half way between the Russian Communist view and the entirely capitalist view which we see so very much indicated in the United States. They believe in freedom and do not think it can be combined with social justice. The Russians believe in social justice and do not think it can be combined with freedom. We believe that the two can be combined. We are building up a system in which they will be combined, and the sooner we can build that system, the more we can demonstrate its value, the more likelihood there is for these suspicions to be gradually dissolved.

We are apt to regard Communist Russia as something absolutely unchangeable, absolutely united and in some degrees almost invincible. I think that is a great mistake. After all it is a human system, and human systems change. All human systems do not go on for ever. We could take the example of Islam. It started with a tremendous conquering urge and spread over quite a lot of the world, and then slowly subsided. I do not think we need have any fear that the Communist idea will conquer the world, whatever we do, provided we can show something better. It is in showing something better that we come to domestic politics, because that something better can only be the combination of social justice and liberty, which is what one means by democratic Socialism.

So far as precautions are concerned all sides of this House are more or less agreed. It is when we come to this question of building up social democracy that the differences occur. We have heard some speeches from the other side of the House trying to belittle the policy and beliefs of our Government and our Party on this side. We have had a great deal of play made with that idea of a propertied democracy, a spreading ownership and so on. Surely anyone who considers the industrial situation now knows that we are bound to have large-scale industries ever growing larger. In those circumstances there is only one way to give freedom and democracy fully to the ordinary man. It is to put these big-scale industries in the possession of the community.

The hon. Member for Rugby said that power if it were concentrated meant a lack of democracy. But he rather contradicted himself, because all his examples of the extension of democracy to women and to others included the fact that they were taking part in the government of the country, and if the State does take over industries surely that is giving the ordinary man and woman some say in the organisation and management of those industries which they never had before. The hon. Member for Keighley (Mr. Ivor Thomas) also poured a good deal of scorn on the party which he has just left. He got a great deal of applause from the other side. I wonder how much respect he earned from them. I wonder how much respect they give to someone who pours such scorn on the beliefs which he professed to hold only a short while back.

I can understand the man who, after a great deal of conflict and thought, slowly changes his mind on essential matters. But that is a very different thing from swinging over suddenly from support of Socialism to contempt of Socialism in every possible way. I would take only one of his epigrams—if one can call them that. He said that this Government has produced utility, priority and austerity. Why should we be ashamed of that? Utility means that a vast number of people in this country can be properly clothed and can have other necessities which in no other way could they have had. Priority, for school children for instance and for nursing mothers, means what? It means that we have now got, on the authority of the President of the French Red Cross, the finest children in Europe. As for austerity we can only wish that other countries were prepared to face austerity in order to build themselves up as we are building ourselves up at this time.

In the letter which the hon. Member for Keighley wrote to "The Times," which was couched in a much more modest strain, he said that he wanted unity and he wanted us to give up our Socialist measures for the sake of unity. I say that just the reverse is true, that to give up these Socialist measures would imperil the whole of the future of Socialism and democracy, and would tend to bring the world into a worst state than it now is. This country has a fine history. It has not the material power that it once had, but it has still great moral power. I believe it can still be for us to do something greater in history than we have done before, and that is to show the world a new way, a way which leads away from madness and strife, and which points the way to building up prosperity combined with freedom.

6.59 p.m.

Mr. Spearman (Scarborough and Whitby). The Gracious Speech states that Ministers will continue to devote themselves to the problem of the balance of payments. It is to that subject that I wish to confine my remarks. I have noticed a certain element of complacency arising from Government sources on that point. Not long ago we had a rather guarded speech of optimism from the Chancellor of the Exchequer, and a speech, a good deal less guarded, from the President of the Board of Trade. I quite realise that, for the moment, we are in calm waters and that there is no immediate fear of our running out of food to starvation point or of such raw materials that we cannot maintain employment.

But I emphasise that it is not because we are spending less here or producing more. It is due to windfalls. It is due to the unprecedented generosity of the United States of America. It is due to the fact that we have had over £100 million by the sale of the Argentine Railways. By next June we may well have eaten those Argentine Railways and we cannot with any confidence know that we shall get further aid from the United States of America, at any rate on the same

magnificent scale. I believe, therefore, that the prospects for the moment are all right. But in a few months' time we may well be arriving at a crisis of payments even more drastic than last year, a crisis in which, if we are to maintain enough food to keep our people, we shall have to increase our exports by say 20 per cent., and it may then not be so easy to sell those exports, even if we can produce them. I should like to know what steps the Government are taking to meet that eventuality in a few months' time.

Mr. Scollan Will the hon. Member tell the House exactly what he means by American generosity? Does he mean Marshall Aid or some other gifts or grants apart from that? Will he tell us where they come from?

Mr. Spearman I am referring to the enormous amount of goods that the American people are sending to this country and to this Continent, largely without any return at all.

Mr. Scollan That is a private gift scheme?

Mr. Spearman No. I am referring to Marshall Aid of which, as our share, we are getting three-quarters as a grant and the rest on terms of repayment which are very generous indeed. I believe that our situation today is still far more precarious than is generally appreciated. It is right that it should be appreciated. I wish to quote from an article recently published which shows the cuts that have been avoided owing to American aid. It states: "Some idea of their magnitude can be obtained from a rough estimate of the consequences that would have ensued if no aid had been forthcoming. It has been calculated that the rations of butter, sugar, cheese and bacon would all have had to be cut by over one-third and there would have been less meat and eggs. Cotton goods would have disappeared from the home market, supplies of footwear would have been reduced and tobacco consumption would have been cut by three-quarters. ... The general dislocation of industrial activities might well have brought unemployment figures up to 1,500,000 and would have become progressively worse as the lower standard of living resulted in diminished productive effort." That is not a partisan article from some newspaper antagonistic to the Government. That is a quotation from the Board of Trade Journal of 16th October this year. It seems to me that there is some controversy in Government circles when an article of that authority can be published on 16th October and a Treasury official can say four days earlier: "When we receive our reimbursement we shall be in an exceedingly happy position."

Mr. Scollan I am pleased that the hon. Member has raised this question in the House. The gap was reduced from £630 million to £288 million. The £315 million which is to be granted—it has not yet been granted—through Marshall Aid will more than meet that point. The point that is missed in the article is that 1938 prices for exports and imports leave no gap at all.

Mr. Spearman I will correct the hon. Member by quoting a further statement from the Board of Trade Journal. There it said: "Our overall balance of payments deficit in the first half of 1948 was still running at an annual rate of £280 million and our Western Hemisphere deficit at £390 million." We are nowhere near bridging the gap. The only difference is that in every previous case the Government have found that the result was far worse than they expected, and they have for the first time found that it was not much worse than they anticipated. Why is it that we are in this terribly precarious position today? This is an annual opportunity for raising matters of importance. It is right that Members on all sides of the House should press the Government for some explanation of their failure, or demand some admission of their failure and some promise of better things for the future.

Why is it that today our production is so little up on 1938? In 1938 there was huge unemployment in this country and throughout the world. There was no world demand for goods. I believe that with our modern knowledge of economics we know now how to deal with inadequate demand inside a country and we are not dependent on world demand. However that may be, in 1938 there was not sufficient world demand: today, there is. No one can claim credit for the demand that exists for goods in this country. It is due to world conditions. In 1938 we had huge unemployment. We had an enormous number of men engaged in making munitions. Today, the number of men employed in production is

far greater, there have been technological improvements, and yet our increased output compared with 1938 is trivial in comparison with that which has been achieved in the United States of America.

This state of affairs calls for a most urgent inquiry in the view of those of us who are critical of the Government today. I believe that it is due to the Government's failure to plan at a high level. When the Government came into power they talked a great deal about their intentions in regard to planning. They have masked their failure by their concentration on minor planning—plans for running the industries of the country which, good or bad have not produced marked success so far. They have failed in their prime duty, the prime duty of any Government, on economic affairs, which is to plan an equilibrium between demand and supply of resources, to hold a balance between inflation and deflation. If we have deflation, as we had in the inter-war years, we get an enormous amount of unemployment and great suffering. If we have inflation, as we have now, we get a position where industrialists do not need to be efficient in order to make profits. That is most unsatisfactory for consumers. We get conditions when there are so many more jobs than men that it is within the power of the workers to exploit the community to their ruin, and indeed to the workers' own ruin in time to come.

The Government's first job in economic affairs is to see that there is an equilibrium between demand and supply. I readily admit that the present Chancellor of the Exchequer has taken some steps to remedy this inflationary situation. One man who certainly has never voted Conservative in his life said to me the other day that he thought that the Chancellor had very nearly undone the evils of his predecessor. That may well be going too far and claiming too much for the present Chancellor of the Exchequer. Certainly, the test that he gave on the Third Reading of the Finance Act as to the success of his policy by redistribution of labour has not yet proved very satisfactory. I consider that it is frightfully important today to get labour in the right places to produce the necessities that we must have or the exports which we must send out of this country in order to get the food and raw materials we need. Therefore, unless we are to work much harder or drop a great many schemes, we must see that manpower is distributed as efficiently as possible.

The last published Government plan anticipated that by the end of 1948 there would be a gain of 32,000 people in the coalfields. To date, the increase is only 7,500. The Government planned for 108,000 workers in the textile trade. In fact, to date—and we are near the end of the year—the increase is only 27,000. They planned that by the end of 1948 there would be a reduction in the number of people employed in the distributive trades of 21,000. In fact, there has been an increase of 30,000. In Government service a reduction of 22,000 was anticipated. Instead, there has been an increase in the number of people employed in Government Departments of 49,000. In the building industry the Government anticipated a reduction of 164,000 men. Actually, the number has been reduced only by 6,000.

I am bound to say that I consider that this proves that up to date the policy of the Chancellor of the Exchequer, however well intentioned and however great an improvement on that of his predecessor, has certainly not achieved success. The inflationary policy started by the ex-Chancellor, and from which we are still suffering today, means that we have got the men in the wrong places making the wrong things. There is inadequate labour to make those luxury articles which might sell well in the United States.

These considerations have entailed a system of control which is damping down production in this country. I look upon controls rather as if they were a drug that one must give to a man during a serious illness. One cannot take them away too quickly. I readily agree that when the war was over we could not take off all controls and revert to the price mechanism. If we had done that there would have had to be such drastic changes in prices that great hardship would have been created. The change must be a gradual process. I complain that that process is not proceeding at the right speed. The result is that there has been a great setback to production in this country.

I will give three instances, first of inefficiency in production. Today, the manufacturer who does best is not the man who is the most efficient, enterprising or hard-working. He is the man who is most skilful at avoiding Government regulations and obtaining supplies of raw material. I take the simple instance of the sweet industry. Before the war 200

firms did most of the business of making sweets. In the inter-war period they about doubled their output and halved their prices, which was a development which was quite satisfactory to the consumers.

Today the same 200 manufacturers are producing sweets of indifferent quality and not cutting their prices. There is no need for them to do that, and many of them who were making no profits before the war are making huge profits today. A sweet manufacturer gave me this illustration. He said that in the old days the sweet industry was like a racecourse with 200 horses racing against each other in an endless marathon. Today the position is entirely different. They are not racing at all. They go round and round to the orders of the ringmaster, neither gaining nor losing, but keeping in the same order as they did in 1939. In fact, the racecourse has become a circus.

Mr. Scollan I am an ex-secretary of the workers' side of the Sugar Confectionery and Preserves Trade Board. In 1937, there were 1,834 firms in the business, and if there are only 200 today, thank goodness we have got rid of the rest of them.

Mr. Spearman I did not make myself clear. The bulk of the business was done by 200 firms. Today, no new firms can enter the business. Therefore, these manufacturers are protected. I hold no brief for manufacturers. Nothing in this House is more deplorable than the idea that we take sides, one side always being for the worker and the other always for the industrialist. Of course, that is not so. We can find faults on both sides. It is not our job to take sides. Under the present system of control manufacturers are not necessarily as efficient as they should be, because there is no competition.

I wish to refer to the enormous cost of these controls. We know that the number of men and women employed in Government Departments is very much more than it was before the war. When the limit for house repairs was raised from £10 to £100, I understand that that step released six million forms. If everything is carried out on that scale, one can realise the enormous expenditure incurred and the enormous waste of labour which is involved in carrying out all these controls. Perhaps this is a delicate moment to refer to the possibilities of corruption. I can only say that a distinguished friend of mine who voted for the Socialist Party at the last Election, and who is known to every Member of the Front Bench, told me in my house several months ago that he had no confidence whatever that the present system of allowing permits would prevent corruption on a considerable scale. He thought that it was beyond human nature to think that the temptation would be unanimously resisted. I consider that that is a great danger.

My final point concerns the wrong allocation of raw materials which is brought about by this system of controls. The organisation is too blunt an instrument. There is no way of getting the material where it is really wanted. Any of us who have experience of factories know of all sorts of factories which have been getting material which, in the interest of the country, they should not have. I will read a short extract from a letter sent to shareholders in the Plaster Products Company two days ago: "Some three years ago, this company was requested by Government Departments concerned to take steps to double its production of plaster board. As a result, a new factory was erected at Bridgwater which came into full production in July, 1948, immediately after which there occurred a sharp decline in the demand for plaster board. This demand is now at the rate of one-half of the total manufacturing capacity of the industry. Accordingly, this factory will cease production on Friday, 29th October, 1948." That seems to me to be a glaring example of the inability of Government Departments to forecast the demand accurately, and we should think of what this will mean. Here is an expensive factory which has been specially built, and great losses have been incurred, when the materials which were used in building that factory might have been used more effectively in assisting productive efforts elsewhere.

On this side of the House, we are frequently asked which controls we would drop. We cannot tell, without technical knowledge, which controls to drop first, but what we can and do say is that the conditions ought to be altered so that the controls become unnecessary. We might take as an example the automatic steering gear of a ship. If it goes wrong, we have recourse to the hand gear. We do not give that up while it is all we have got, although it is so inferior to the

automatic steering, but we use it until the earliest moment that the automatic gear is ready for use again. What steps can we take to alter conditions in order to get rid of controls? I am not so sure that industrialists as a whole are too keen on getting rid of controls, because many of them get assured profits, ensured supplies of raw materials, and prevention of new competition. I am not so sure that civil servants are so keen on getting rid of them, because, after all, these controls were born in the Civil Service, bred by civil servants, and people do not like devouring their young. Then there are the Socialist politicians, who have made this great experiment of controlling inflation and maintaining full employment by means of these controls.

This control system, I believe, has lamentably broken down, and it now means a reversal of policy and an admission of failure. I am afraid that not every Socialist Minister will have the courage to make that admission. I would like to ask the Government to indicate that they will take every measure they can to get rid of controls at the earliest moment and to alter conditions in order that these controls may be removed.

The second failure of Government planning concerns this question of capital investment. The Government are proposing that these investments should be £2,000 million, but about half of that will go in repairs and will not buy any new equipment. About another £200 million will go in writing up stock, and that leaves about £800 million. Is that enough? Is it being spent in the right way? An awful lot of money will be spent on housing and no Member of Parliament who frequently visits his constituency can be unaware of the most urgent need for more houses, but that does not mean that there is not something else which is even more urgent.

I would say, however unpopular it might be, that it might be better for a short time if we were to concentrate on building factories in order that we could be sure of filling houses with food rather than building houses which we cannot afford. This Government is also spending four times as much on the social services as we spent before the war, and most hon. Members opposite appear to be proud of this fact. We can all agree that we want these improvements in our social services. We might have some criticism to make on this side of the House, but, by and large, we want to see them. I would, however, ask the Government this question: Would it not be better to ask the people to wait a year or two for these improvements in the social services rather than have poverty later? Is it not better to delay now and have security later? After all, no Government, merely by waving a magic wand, can create men and materials that are not there. We have to choose whether we should spend the whole of our income on social services and consumption or save a part of it for re-equipment in preparation for greater social security later on.

In conclusion, I believe that the policy of the Government to plan the production of this country at a high level has failed, and that there has been a failure to put on one side a sufficient amount for re-equipping the factories of this country so that we can produce our goods at competitive prices. This failure might very well lead to such poverty, such shortage of food and such unemployment as we have never known in this country before. Unless the Government can see their way to concentrate all their energies on this problem, rather than be diverted by nationalisation projects, and unless they have the courage to do things which might be unpopular, I believe that they will go down in the history of this country as the most disastrous Government which the people of Britain have ever chosen to elect.

7.21 p.m.

Mr. Gallacher (Fife, West). I should like to say to the hon. and gallant Member for Sudbury (Lieut.-Colonel Hamilton), who is not now in his place, that he is wrong about Communists being frightened. They are not frightened; on the contrary, it is the capitalists and their spokesmen who are frightened. When we get Tory leaders, Labour leaders, Liberal leaders, the churches of all denominations, the Press, the radio and every organ of propaganda directed towards slanders against Communists, that does not denote strength, but fear bordering on panic.

The other day, I read in one of the London papers that Mr. Marshall was in Europe busily organising the anti-Red forces. "Stand up, the anti-Reds." In the process, Mr. Marshall has been issuing selected quotations from Marx and Engels. The Foreign Secretary has used them, the Minister of State has used them and the hon. Member for Devizes (Mr. Hollis) used them today. What brazen impudence for a disciple of Ignatius Loyola to accuse me, a disciple of Karl Marx, of duplicity. This brazen impudence is only equalled by that of the hon. Member for Rugby (Mr. W. J. Brown) who stands here and claims to represent Pagan and Christian morality against the alleged immorality of Marxists.

With regard to the Gracious Speech, I must say that it is not a programme of Socialism and peace. It is a programme of capitalist war preparation. It is not what the people want, or what they voted for. How much better it would have been had our representatives in Paris been free to support the Soviet Union proposals for cutting down armaments and abolishing the atom bomb.

Mr. Baxter And the Secret Police?

Mr. Gallacher The hon. Member for Wood Green (Mr. Baxter) is talking about M.I.5 now. If that proposal had been carried, a deep heartfelt sigh of relief would have gone through the whole world, but the Leader of the Opposition wants the Americans to use the atom bomb, and so does the hon. Member for Wood Green. It is to be used upon defenceless cities, where it could destroy millions of human beings in the most horrible manner. It could burn the flesh from their bones and burn their bones to powder. Nero was an intelligent humanitarian compared with these decadent spokesmen of a decadent and dying system. The Foreign Secretary says that these proposals put forward by the Soviet Union were propaganda. If that is true, they are good propaganda. I only wish that the leaders of the Labour movement in this country would indulge in a bit more of that propaganda.

No country in the world has more reason to hate war and desire peace than the Soviet Union. The devastation and loss of population which the Soviet Union suffered in the last war is enough to last that country for ever. Never can they want to have any more war. No country needs peace more than this country. If we are to provide the people with homes and the workers with wages that will enable them to enjoy a happy and prosperous life, if we are to increase the pensions to the old folk in order to guarantee their security, we can only do these things by following the path of peace and not by preparations for war. America has not experienced war and does not know what war means. As a matter of fact, out of two world wars, America has built up an enormous mass of wealth at the expense of the countries of Europe. Can anybody deny that?

Today, America is whipping up propaganda and preparing forces for a third world war, but again it is to be a war on the cheap for America. America will provide the dollars while the people of this country and Western Europe will provide the casualties. Why has not the war already been launched? It is not because of the lack of will or desire on the part of the Americans, but because the people of this country and the rest of Europe are not yet ready to offer themselves as sacrifices to the Moloch of American capitalism. It is the job of Marshall's marionettes to get the people ready, but they will fail.

I read on Sunday in "Reynolds News" that, after a week's recruiting campaign in Woking led by the Minister of Defence, they got one recruit. It was, according to "Reynolds," "a complete flop." The Parliamentary Secretary to the Ministry of Labour, who, when he was of military age refused to fight for British capitalism, recently went, of all places, to Keir Hardie's old constituency of Merthyr Tydfil to make a recruiting speech and to ask the lads to fight for American capitalism. The miners refused to listen to him. At a football match in Luton, the hon. Member for Luton (Mr. Warby) and the Conservative candidate for the division, got up to make recruiting speeches and the irritated, angry football supporters shouted them down. A short time ago, the Minister of Defence himself, at Southend, was shouted down at a meeting of his own Labour Party representatives.

I wish to appeal to Members of the Labour Party, and to warn them. It is my honest belief, from what I find in the country and in this House that the Labour movement is being led along the wrong road—it is being led away from the working class. If Soviet propaganda is good, what is to be said of the propaganda we are getting from the leaders of the Labour movement? It can only be described as awful. For instance, we are told that in those countries where there is no capitalist class, where it has, been eliminated, there is slavery. The Under-Secretary of State for Foreign Affairs, when in Paris, went all out on that theme—where there is no capitalist class there is slavery; where the capitalist class is supreme, there is freedom and democracy. That is Tory propaganda.

Mr. Baxter It is also the truth.

Mr. George Thomas (Cardiff, Central) He believes that.

Mr. Gallacher In Hitler Germany, they burned the works of Marx and Lenin, but in America they have a more cunning method. There, 12 Communists have been charged, although no offence of any kind, other than that they read and accept the teachings of Marx and Lenin, has been alleged against them. If the Americans can get away with this it will mean that the works of Marx and Lenin will be outlawed, and that it will be a crime to possess them. I want to ask the Labour leaders, who recently published a centenary edition of the Communist Manifesto—in the foreword of which they declare that “the Labour Party desires to pay its tribute to Marx and Engels as two of the men who gave inspiration to the whole working class movement”—whether they will protest against these trials. The Foreign Secretary has said that Russia is the only imperialist country. That, also, is Tory nonsense. I will, once again, give a definition of imperialism. I have given it in this House before, but one should never be weary of well-doing. Imperialism is capitalism in the stage of monopoly when the export of capital is essential for the maintenance of economy. If hon. Members do not wish to take my word for it, they should surely take the word of Hobson who has studied the matter very carefully and seriously, and has produced a very good work on it.

Mr. Scollan That is Hobson's choice.

Mr. Gallacher It is not my choice. Everyone, however much they may resist that definition, can understand this, that wherever capital, as distinct from goods, is exported, there must always go with it political and military control in order to protect it. That applies to the Dutch in Indonesia. I would like to hear a Labour Member of Parliament, or even a Tory Member, trying to persuade a meeting of working-class people in this country that Dutch financiers in Indonesia were there in the interests of the Indonesians. The same applies to the French in Indo-China, to the British in Malaya, and to the Americans in Britain. American capital comes to Britain and American forces follow. Do not be taken in with the idea that they are here simply for the purpose of war against the Soviet Union; they are here to protect American capital from the Socialists in Britain or in any part of Europe.

The leader of the Opposition said at the Conservative Party Conference that the Soviet Union should withdraw its forces behind its own frontiers. That is where they are except for the troops who are under Four-Power control. But America has bases in Newfoundland, Greenland, Iceland, North Africa, the Near East, the Far East, the South Seas, up to the Aleutian Islands, and in Britain. Let the Americans withdraw their forces across the Atlantic——

Mr. Nigel Birch (Flint) And let the Russians advance.

Mr. Gallacher—and Europe will live in peace and advance along the road to Socialism.

The Mover and the Seconder of the Address referred to the conditions that existed in the period between the wars. That is a favourite propaganda theme of Labour Members of Parliament, and a very good one. Indeed, I myself have used it on many occasions. But look what happens. The Board of Trade issues a report and tells us that if the Labour

Government had been left to their own resources we should be in a worse position today than ever existed during the period of depression, and——

Mr. Birch That is quite true.

Mr. Gallacher —that there would be mass unemployment, and that the whole of the people, not only the unemployed, would be down to a starvation diet. That is not Socialist propaganda; that is Tory propaganda.

Mr. Birch All the same, it is true.

Mr. Gallacher It is Tory rubbish.

Mr. Scollan It came from a Tory source.

Mr. Gallacher Morgan Phillips in the "Daily Herald" says the young people should ask Dad about the conditions between the wars and from what they are being saved by the Labour Government. But, according to this story, it is not the Labour Government who are saving the people from this tragic fate—it is the American capitalists. Does anybody on this side of the House believe that, or is anybody going to advocate it?

Mr. Birch They have said so.

Mr. Gallacher That is what one is supposed to be doing when one is boosting Marshall Aid. The Mover of the Address said that he only wished that Russia would for once say "Yes." That is an entirely wrong suggestion to make. What good Labour men ought to be asking is, when is the Foreign Secretary going to say "No" to Marshall and to American capitalists? That is the question.

Mr. Baxter Would the hon. Gentleman explain why Russia should not say "Yes" to something.

Mr. Gallacher As a matter of fact, the Russians have been saying "Yes" on quite a number of things, and it is the Foreign Secretary who has been saying "No"—not to Marshall and company, however, but to the proposals of the Soviet Union. Without Marshall Aid there would be no need for unemployment. Without Marshall Aid we would be saved from very heavy military commitments, and the Labour Government would be forced to make a frontal attack on the Tories and the capitalist class and cut down profits and prices.

I read in "Reynolds News" the Sunday before last a story of a lad who took two of his pals into a West End restaurant for dinner, and the bill for the three of them was £25 and some shillings. That is going on all over the place in the West End of London, and if there were no Marshall Aid the Labour Government would immediately have to put an end to this waste of the wealthy. Everything that they did would have to be organised and used for the people who do the work. While this waste is going on, we are getting appeal after appeal to the miners and other workers to put greater effort into their jobs—"Work, work, work and do not think." That is what the Attorney-General said at Paris. But it applies here, and not where it was directed. There is a limit to the strength of the miner.

I attended a conference of miners last Sunday. I heard one delegate say, "In 1940 we were asked to make a special effort. We made it. Then appeal after appeal has been made to continue the special effort, until the special effort has become the normal recognised working condition." And now a new special effort is being appealed for on top of the original special effort. While that is going on, while miners and other workers are being asked to put all their effort into the job, we had the cynical spectacle yesterday of wealth and pomp, tiaras and ermine flaunted before the eyes of the people, many of whom find it very difficult to get ordinary clothing, even utility clothing, who find it impossible to get homes and who are finding it increasingly difficult to get the rations necessary for the heavy work which they are doing.

I appeal to the Labour movement before it is too late, to turn away from this policy of war and to pursue the path of peace. These war preparations are being directed from Washington against the advance of Socialism in Europe. Whatever happens, this I can say, that I and my comrades of the Communist Party will keep high the blood red banner of the working class. "It suits today the weak and base" "Whose minds are fixed on self and place" "To cringe before the 'dollar frown'" "And haul the sacred emblem down."

Mr. Birch Sing it.

Mr. Gallacher I agreed with the Leader of the House when many years ago he said that "we must keep our internationalism intact." I agree with that today. I and my comrades of the Communist Party will never cringe. We will keep our internationalism intact.

7.46 p.m.

Colonel J. R. H. Hutchison (Glasgow, Central) The House has listened to a typical exposition by the hon. Member for West Fife (Mr. Gallacher) in which, as is his custom, he mixed up with great dexterity humour, drama and distortion. He does this very well according to his lights and, indeed, his speech gets better and better each time he delivers it. It is in almost the same form on every occasion on which he manages to catch Mr. Speaker's eye. However, out of the pot-pourri of attack which he was slashing all round him, he made one remark with which I found myself in hearty agreement.

The hon. Gentleman said that no country in the world needs peace more than does this country. That is precisely why, having disarmed to a much greater extent than has Russia, we reluctantly—and the word "reluctantly" must be underlined—find ourselves in the position of having to halt that disarmament and even to rearm. "It is fear which dominates the party opposite," he sneered. Well, if in face of danger, fear is denoted by taking necessary steps to try to protect the people of this country, then we are afraid.

All over the world people are anxiously asking whether there is to be war. Let them recognise the fact that at the present time there is war. Some call it a "cold" war. I personally find the temperature rather high, but wars never follow the pattern of those before, and because in some parts of the world the bullets are not flying—though elsewhere they are—and the bombs are not being dropped, it does not mean that we are not in a form of warfare at the present time. In the same way as new forms of war appear, new techniques have to be devised in order to try to combat them.

Communism is more a frenzy than a faith, and its adherents consist of three separate types of people. There are the visionaries who believe in the distorted theory that out of evil somehow some day good may come. Then there is the section who believe that with this change they wish to bring about In society they will rise to positions of greater or lesser eminence; a dazzling future dangles before their eyes. But let them remember what happened to the old Communist guard who finally quarrelled with their successors and were liquidated. The great majority, however, of those who adhere to the Communist doctrine do so out of ignorance. They are unaware—and, of course, the Communist Party do not explain to them the true facts of the situation—of what the adoption of Communism has led to in Russia.

It must be clearly understood that two of the basic tenets are that Communism and atheism go hand in hand—a fact that was confirmed by a Communist lecturer who was over here the other day. The second fundamental is the diabolic creed that the end justifies the means; that is to say, once you have decided that a point should be reached by society and that a solution which you yourself find good should be adopted, then you are entitled to bring that situation about by any means in your power and, therefore, you are entitled to resort to treachery and broken promises. Where can we find, where can any man or woman who has been brought up with any sense of decent conduct find, a common ground to discuss with people who hold these two fundamental beliefs. It fits in well with this theory that the end

justifies the means, that they are entitled to bring Communism about by any means and any trickery within their power, to seize upon any discontent and any misery which they find anywhere in the world and to promise that they will put it right. Of course, those who listen do not know that those promises will be broken just as easily as the Communists have broken many of the other promises which have been given.

Mr. Scollan Would the hon. and gallant Member give way for a moment? I would like to know this: does the hon. and gallant Member realise that the official policy of the English Government for many years was a denunciation of the Jesuits because of their policy that the end justifies the means? That has never changed; does it still operate?

Colonel Hutchison Whether in the distant past other people adopted a theory to which I would never subscribe, and to which I do not think many people in this honourable House would subscribe, is beyond the point. This creed that if you decide—and you are the sole arbiter—that something is a good thing, then you are entitled to bring that end about by any means within your power, however diabolical, is a creed which the hon. Member for West Renfrew (Mr. Scollan) certainly would not hold himself.

Mr. Scollan I do not attribute it to somebody else, as the hon. and gallant Member does.

Colonel Hutchison Two blacks do not make a white. The fact that in the distant past somebody else held to this creed does not justify its use again at the present time. This belief of the Communists, and this policy of seizing upon any discontent and misery, satisfies a dual purpose. First, it tends to persuade the dupes to join the party, and secondly, it gradually creates a situation where an industry, or industry in general, or the national finances, are reduced to a position of chaos and, of course, out of chaos the chance of Communism coming about is very much greater.

It is, of course, easy for the Communists, as they have been doing in France, to canvass the farmer and ask him how many cattle he has. "Four," he might reply. "Join the Communist Party," they answer, "and you will have fourteen." But they do not tell him what happened in Russia to the owner of four cattle, let alone to the owner of 14, who was denounced as a kulak and dealt with as an enemy, his farm collectivised and himself sent off to the forests of Siberia or elsewhere. It is easy for them to go to the French peasant and proclaim themselves supporters of the Catholic religion, for they do not, of course, go on to tell how religion has been persecuted in Russia and how, even today, it is put into a collar and told which way to pull. The false promises which are held out dazzle a few people because the human dough with which they are presented is malleable enough.

What we must do is to raise the curtain on the truth about the interior of Russia. That is a difficult matter because the rulers in Russia have realised that ignorance by their people of what goes on outside is just as important as ignorance among those who live outside of what goes on inside Russia. Hence the insistence that their troops, who had seen how the people live in the Western countries of Europe, should be put through rehabilitation camps before they were absorbed into the population of Russia in order that they might be taught to forget what they had already seen. Nevertheless, we have a great deal of information to go on; a great deal from Lenin and Trotsky, apart from that from Gouzenko in the Canadian Spy trial, and from Kravchenko, Eugene Lyons and many other writers, who have lifted this curtain a little bit for us to see behind.

There is need throughout Western Europe and throughout the world to learn the true facts. The best way to meet and counter false propaganda, is by true propaganda. How many people, how many common people of Europe, know for example that Stalin wrote in 1947, in his quarrel with Tito: "The party is the highest political organisation of the working class which stands over and above all other political organisations and State Departments." So much for democracy. Democracy is only to be allowed to have its say when it is convenient for the party.

How many of those who are wondering about this problem of Europe are aware of the disparity in incomes in Russia at the present time? Have they been told that, up to the day of the devaluation of the rouble, a lawyer in Russia could

earn 40,000 roubles a month whereas a poor woman sweeping the streets could earn only 250? Are they aware that the disparity between the pay of a Russian officer and a Russian private is ten times greater than the disparity in pay in this country between the same people? How many are told that when famine was threatening Russia between the wars—I think in the early 'twenties—and was staring the Russian leaders in the face, America offered food and that it was spurned, with the result that millions more died? How many people realise that there exist in Russia at the present time slave labour camps, the number of inmates of which have been put by various authorities at between five and 15 million, who are beaten, starved and isolated and completely without hope? That labour is conveniently cheap. It is easy to rebuild your country and your strength if you have millions of labourers employed without any pay.

Mr. Gallacher Is the hon. Member aware that in the "Catholic Herald" up in Glasgow three months ago, one of the writers, with whom I exchanged courtesies about a pamphlet, "Catholics and Communism," said that on good authority there were from 10 to 20 million in slave camps in Russia. I remarked at the time that the margin was a fairly large one for an authority. Could the hon. Member tell me how it is that in the past three months the number has been reduced by five million?

Colonel Hutchison Nobody can answer a question of that kind because people are not allowed to see what goes on in Russia. If the hon. Member for West Fife wishes to disprove what authorities in this country and other countries have alleged, he has only to take them to Russia and show them. No one would be more delighted than myself to hear that there was no such thing as slave labour in Russia.

Mr. Gallacher There is not.

Colonel Hutchison Then show them. Who stumps Europe to explain that families in Russia are encouraged to spy upon and denounce one another to the authorities? Do people realise that once in the grip of Communism there is virtually no escape? Do the workers of this country and other countries know that in Russia the trade unions have virtually no bargaining power? Have they read the report of the members of the Iron and Steel Confederation, who no doubt were suitably screened, and in what they saw, about labour conditions in Russia, and weekend and overtime pay? Do they know that the strike there is illegal?

How many people in Europe know for example, that at the rates of wages and with the purchasing power of the rouble as they were last year, it took a man working in Russia, to earn enough to buy one pound of wheat bread, one hour 10 minutes, while in the United States it took a man seven and a half minutes; or to buy a bottle of beer two hours 51 minutes, while in the United States it took six and a quarter minutes; or to buy a dozen eggs it took four hours 57 minutes of work, while in the United States it took 38½ minutes? Do you think, Sir, that if they knew these facts they would want to join the party which was responsible for bringing them about? I could go on ad nauseam—and I mean ad nauseam—with these various illustrations of what is taking place in Russia at the present time.

The Council of Foreign Secretaries of the Brussels Treaty Powers ask for suggestions from Governments or, indeed, from private sources. That is why I suggest to them that the most important thing they can do is to give the people of Europe full and continuous disclosures of all these facts of what exists and happens in Russia. Let these be rammed home. Let them counter the Cominform by establishing an international "Truth-inform." Let the Brussels Powers set up this "Truthinform," and let it be one of the most important organisations, if not the most important organisation, of the Western Powers; and by their posters, their articles, films, speakers and radio let them tell the common people of Europe what has been brought about in Russia; and let them tear aside the veil of ignorance, because when a man or woman knows the truth about Russia, he or she will never think of voting Communist again.

There is one other step that the Brussels Treaty Powers should also provide for. They should provide that those people who preach anti-Communism shall be able to count upon some form of sanctuary if their countries eventually vote Communist. We do not in this country persecute Communists for their beliefs. Communists, however, have no

scruples when they get power in hounding to death a man who has opposed them. How much easier it is for those who may be hesitant in Italy, France or elsewhere to keep a silent tongue. How much easier, how much safer. They know that if the election were to go the wrong way, then it would be an end of them and, perhaps, of their families. But if they knew there is some form of sanctuary, at least for their families, provided by the Western Powers, then we should get them coming out in the full force of their belief to denounce a system which they know to be wrong and which they detest.

Let there then be light. Shrouded in ignorance and suborned by false promises, uninstructed people are sliding down the slippery slope. Let a "Truthinform" be formed, and let it publish and continue to publish, and ram home to Western Europe and to the world, the facts of what has happened in Russia: A shudder would go through Western Europe.

8.5 p.m.

Mr. Austin (Stretford) The speech to which we have just listened, has not, in my opinion, rendered any service to the cause of peace. The long catalogue of what the hon. and gallant Member for Central Glasgow (Colonel Hutchison) imagines to be the adverse circumstances that obtain in the Soviet Union does not help us in our examination of the difficulties that beset the world. The theme followed that set by the Leader of the Opposition, now two and a half years ago, in his Fulton speech. I hope to come to that later on. However, I would say to Members on all sides of the House that the world is in a very unsettled state, and that it behoves us, as men in public life, however humble, to talk with a due sense of responsibility, and not to foment war talk, and not to create the animosity which the Tory Party opposite has been doing now for too long.

I have listened to most of this Debate, and I have heard Members on the opposite side criticise the Government primarily on one aspect of policy; and that is the domestic side of this Government's policy. I have come to the conclusion that they do so because they know that with every day that goes by, with the successful achievement of our targets, with the development and reconstruction of this country, their prospects of success at the next Election become dimmer than ever. It follows that they are now developing a vested interest not only in the failure of this Government but in the failure of their country's reconstruction. The Tories hope in their hearts that we may have a duplication of the fuel crisis, or that some calamity may overtake the nation and retard its progress and redevelopment. That is not worthy of His Majesty's Opposition.

When we come to the question of foreign policy, broadly speaking the Tory Party supports the Government. I am no more than anybody else in a position to gauge accurately the feeling in the country, but I talk to people in my constituency, and, indeed, to people where-ever I go, and I find today a tremendous resentment against the Russians for their intransigence and their excessive use of the veto, and for their attitude in the United Nations and the Four-Power Conferences, and I find a feeling of bewilderment that the Russians seem to have gone out of their way to dissipate the tremendous fund of good which our wartime comradeship had engendered. But alongside that attitude on the part of the ordinary man in the street, I find a feeling of resentment against the Americans because—and it is put to me in this way—it is easy to clamour for war when one is 3,000 miles away.

What should our position be? Surely it must by now have been made painfully clear that we have tipped the scales, because of our economic attachment to America, in favour of that country. If that is the case, it may be that we are not fulfilling the supreme and sacred role for which we are best fitted today, and that is the role of mediator between the extreme of Communism and the extreme of capitalism. Geographically, we stand between; ideologically and politically we stand between. As was said earlier in this Debate by the hon. and gallant Member for Sudbury (Lieut.-Colonel Hamilton) we combine in this country elements from both spheres, from East and West, in this social democracy under a Socialist Government. We have in economic planning a counterpart of the planning that has transformed Russia from a feudal economy to a modern, greatly productive, Power; and in our system of society today

we have the maximum civil liberty comparable, to say the least, with that obtaining in America. Because of that we naturally fit into the role of mediator between the two.

Now I have watched the development of world affairs. As a boy I watched the hostility to the Soviet Union in its efforts at setting itself on the road to nationhood and to wise and, I hope, prudent Government: and I watched the antagonism and resentment that was felt and expressed in many parts of the world against the Soviet Union; certainly the Leader of the Opposition was not without voice in that respect. I have watched as a consequence the retreat of the Soviet Union into its shell, feeling isolated in a capitalist world, emerging from its isolation only when attacked by the Germans in 1941. Then, shortly after the war, much to the dismay of all of us who value peace and who want to see the nations come together in a true comity of peoples, we saw the Russians again retreat into that shell, possibly imagining they were isolated and against a hostile world. Wrongly, I think. I would rather that the Russians, whatever their feelings may be about America, had at least trusted this country a great deal more.

The keynote of the hostility towards the Soviet Union was expressed again by the Leader of the Opposition in his Fulton speech on 16th March, 1946. The speech was entitled "The sinews of peace." What a misleading title. What a sad travesty that the sinews of peace should turn out to be the foundation of what may become another world war. In that speech the Leader of the Opposition asked the American and Canadian Governments to retain possession of the atomic bomb, and said that it would be criminal madness to entrust control of the atomic bomb to the United Nations. There, in my view, began the isolation of Russia in relation to world affairs, and particularly in relation to the prospects of further harmony with this country and the Western Hemisphere.

Then the Leader of the Opposition advocated a special relationship between the U.S.A. and the British Commonwealth and Empire, notwithstanding the fact that earlier he had pleaded for the strengthening of the United Nations. I cannot conceive how he could reconcile those two elements. He went on to talk about the standardisation of weapons and instruction, and the exchange of Chiefs of Staff so that our military might more freely and easily understand their methods of waging warfare. What a tragedy. I could understand such talk in the face of invasion from another planet. But, within a year of the end of the greatest war in history, to have that sort of talk again broadcast is not worthy of a man who was a great statesman in wartime; he has descended from that pedestal and entered the arena with political gibes, and sometimes irresponsible gossip.

Let me continue this short history. On 23rd January, 1948, the Leader of the Opposition said in this Chamber: "I cannot help also feeling content to see that not only the British, but the American Government, have adopted to a very large extent the views which I expressed at Fulton nearly two years ago, and have, indeed, gone in many ways far beyond them."—[OFFICIAL REPORT, 23rd January, 1948; Vol. 446, c. 552.] No wonder many of us on these benches have been perturbed at the close relationship on foreign policy between our Front Bench and the Leader of the Opposition. In Scotland, at Perth on 28th May of this year, the Leader of the Opposition said: "As long as he"—that is the Foreign Secretary—"continues to carry out the policy which I laid down in my speech at Fulton in the United States two years ago, and outlined 18 months ago, the Conservative Party will do their utmost to invest our foreign policy with national rather than party sanction." The tragic thing has been that never once has our Government repudiated the policy laid down by the right hon. Gentleman, even after his most inflammatory speeches on foreign affairs.

Mr. Harrison (Nottingham, East) What about India?

Mr. Austin My hon. Friend knows that India is an exception to what I have been talking about.

Mr. Harrison What about Burma?

Mr. Austin Why do not the Government do something about repudiating the dangerous and inflammatory speeches of the right hon. Gentleman? I must emphasise this. The Leader of the Opposition, because of the valuable work he did in wartime, because of the debt that everybody did owe to him, commands a greater Press and a greater public than any other man in the world, and when he speaks he appears to give the impression that he is speaking for the people of this country. If no effort is made by this Government to deny that, then people abroad imagine that the Leader of the Opposition—particularly on foreign affairs—is still speaking for this country.

The Llandudno speech of the right hon. Gentleman was a typical case in point. Never have I heard a more irresponsible speech, bearing in mind the strained international relations that exist at the moment. It is true that two Ministers, in their individual capacities, made efforts to repudiate that speech; but those two Ministers—the Secretary of State for War and the Minister of Health—are firebrands in their own right who sometimes create conflagrations, and certainly cannot be expected to put out a conflagration of the nature started by the Leader of the Opposition. It is the Government's duty to reply to and repudiate what the Leader of the Opposition says in the field of foreign affairs.

I was very glad to read the publication "Feet on the Ground," recently issued by Transport House. I feel that there is a great deal of common sense in that document. It reveals to the Conservative Party and the world why this Government is not anxious to link up with the Leader of the Opposition's conception of Western Europe. It reveals that we are troubled by the militarist trends of the Western Europe idea identified with that right hon. Gentleman. I appeal to the Government, in their examination of Europe and its future, to pursue the lesson we have all to learn from a paragraph contained in that document, which perhaps the House will permit me to read: "Western Europe will not survive, either as a Union or as a collection of separate States, unless the Governments responsible for its future face their economic problems with the courage and foresight shown by Labour Britain. The degree of austerity which Governments must impose will be unacceptable without social justice and equality of sacrifice. Attempts to impose the burden of adjustment unfairly on the working-class invariably result only in the growth of Communism." How true that is. Because I have seen that in a Labour Party publication I appeal to the Government, on this issue of what is taking place in the way of a social revolution in Europe, not to expect the same transformation and the same transfer of power as has taken place in this country by the ballot box.

I spent a few days of my holiday in France and Italy, and though I know it does not become hon. Members to talk with authority of conditions in those countries after a few days' residence, there was one fact which struck me forcibly about which I should like to speak. If after the war the peoples of France and Italy had returned a Government of this complexion, a strong, firm and determined Socialist Government, there would not have been the unrest and the danger of civil war which now faces the peoples, not only of Italy and France but perhaps of other countries as well.

My last point is this. If we are to develop our counterpart to Communistic economic planning in our own Socialist economic planning, for Heaven's sake let us not adopt totalitarian methods to get rid of the Communists in the trade unions of this country, or pursue the stupid action evidenced, by the Civil Service "witch-hunt." A fortnight ago there was a great furore in the Press, particularly in the capitalist Press, making capital out of certain incidents in the Electrical Trades Union relating to a factory in my division, Metro-Vickers. I know the inside story of what is going on. The capitalist Press seized on that issue, not only for the purpose of driving out Communists in this negative way, but with a view to undermining the trade unions which are the corner-stone of the Labour Party.

I warn the Government that if this negative approach is supported and there is another witch-hunt to drive out the Communists, there will be a recapitulation of what has happened in France, with the working-classes split from top to bottom. The only course for the Government and my party is to tell their trade union members that they have a responsibility for their Government and for their country, and that they can easily out-vote the Communists if they turn up at their party meetings. Those who grumble about the Communists being in responsible positions have only to make a sacrifice once a fortnight, leaving their beer, baccy, cinemas or dogs, and turn up at their branch meetings.

Then we should see a truly democratic trade union structure in this country, and we should not be giving a weapon to the reactionaries in this country who want to split and divide the Labour movement.

Mr. W. J. Brown Is not the hon. Member aware, as everyone else in the Western Hemisphere is aware, that the Communists in France have used the trade union machinery to precipitate strikes of a political character ordered by Moscow?

Mr. Austin I agree that the Communists make capital out of any difficulties. I know that the Communists in Europe have made tremendous capital out of the difficulties the European countries are experiencing on the road to recovery, but I appeal to Members, and to the hon. Member for Rugby (Mr. W. J. Brown) who was, I believe, a member of the working-classes——

Mr. Brown I have never ceased to be.

Mr. Austin Let us not confuse prejudice against the Communists with the legitimate interest and rights of the working-classes in Europe. If the people of this country were experiencing something of what is going on in Europe, there would be demonstrations and protests such as we had when the hunger marchers came to London and there were two or three million unemployed in the country. I appeal to the Government to view this with a dispassionate eye and not to be prejudiced because of certain influences, and to do all they can to stretch out their hands to the working-classes in Europe in order to help them to achieve their own form of government in their own way.

8.25 p.m.

Mr. Beverley Baxter (Wood Green) The hon. Member for Stretford (Mr. Austin) has made reference to my right hon. Friend the Leader of the Opposition. Perhaps I may be allowed to say something which is rather personal. I was an out-and-out Chamberlain man. It seemed to me that when Chamberlain took the decision to fly to Berchtesgaden—and hon. Members will remember the tenseness of the three or four days which preceded that decision—it gave a fresh hope to the world. It did not strike me that it was undignified for him to go. On the contrary, here was the Prime Minister of Britain exposing his breast to the arrows of humiliation to try to save the world from war. I hoped and believed that such an action would bring a response from Hitler. I was wrong, but so convinced was I in defending Mr. Chamberlain afterwards, that Jimmy Maxton remarked to me across the Floor of the House: "You will get your peerage and take the name of 'Lord Munich of the Burma Road.'"

But at that time there was another voice. It was the voice of my right hon.

Friend. He was saying that there was only one way to meet force, and that was by force; there was only one way to meet ruthlessness, and that was by ruthlessness. There are many who condemned him at that time. Today we hear the same voice, and we hear from Members opposite the same sort of question: "Is there a man so irresponsible that he can stand up and say Russia is threatening war?" If Russia had the atom bomb, does anyone think that the Red Army would not have swept across Europe by this time? Must we resurrect gentle Chamberlain again? It seems obvious that we are facing a difficult situation, inasmuch as we have a violent political policy inextricably involved with Russian imperial expansionism.

We have in this House two Members of Parliament who are Communists. Everyone in this House will defend their right to preach any political doctrine, but when that involves loyalty to a foreign country under conditions of strain and stress, such as there are now, we have to consider whether in case of war it would be possible for these two Members to remain faithful to the oath they have taken.

Mr. Fernyhough (Jarrow) The hon. Member speaks of democracy.

Mr. Baxter I do not think it is possible for them to remain true to their oath, and I do not see why we should not say so, although it is very deplorable that it is so.

Mr. Hector Hughes (Aberdeen, North) Does the hon. Member forget that the right hon. Gentleman the Member for Woodford (Mr. Churchill) said at Llandudno: "Let us bring matters to a head"? What does that mean—drop bombs on Russia, make war with Russia now? Let him declare himself.

Mr. Baxter I am not posing as a supporter of that speech. For one thing it was a disappointing speech to me, not for its content, but because I had hoped it would be a speech outlining the Conservative policy with which we hope to win the next General Election. It was a party conference, and we expected a party speech. But let us consider what he said. He said, "Let us bring things to a head." The very men who condemned Chamberlain, those opposite who have traduced his name abominably from one end of the country to the other, now turn their attack to the voice that is warning us. What is the alternative? Are we to go on with this ridiculous masquerade, the ridiculous effrontery of the Russians in demanding that we feed and supply Berlin from the air? There has been nothing so grossly discourteous in the whole history of relations between countries as this savage buffoonery of Russia.

Russia had a world of good will to draw upon in this country, and her blockade is utterly inexcusable. So the Leader of the Opposition says, "Let us bring matters to a head." The timorous Members opposite answer, "What does that mean? Does it mean dropping atom bombs on Russia?" Not at all. What it means is this: that we should give warning to Russia—this is not my plan, but it has been put forward—that we intend to take a convoy through by road. In case the road should be out of action we will take wrecking crews along as well. To avoid any unpleasant incident there will be a military escort and, if necessary, we will escort the convoy from the air. [An HON. MEMBER: "An act of war."] Is it not an act of war when Russia says, "We will not allow you to enter your own zone?" It seems, according to Members opposite, that that is an act of courtesy and peace. What kind of Members of Parliament have we got? It seems that it is all right for Russia to say, "The road to your zone is closed by our order, and we shoot if you advance," but if we say, "We propose to take a convoy through to our own zone," that is an act of war. The party opposite suffers from a dementia which is discouraging even to those of us who hope to clear them out. To think that the party opposite have another year of office is a terrible thought. I have never seen such evidence of muddled thinking.

Mr. Hector Hughes The hon. Gentleman has not answered my question. What does he mean by "Bring matters to a head?" Does he mean dropping a bomb on Russia, does he mean to begin war with Russia, or does he mean abandon the U.N.O. negotiations?

Mr. Baxter The Leader of the Opposition does not always consult me before making a speech, and I do not know what is in his mind. He will, however, be speaking tomorrow, and will, no doubt, benefit from reading what I am now saying.

Mr. Hector Hughes Was the hon. Member one of those who cheered the Leader of the Opposition at Llandudno?

Mr. Baxter I was not at Llandudno, so the question does not arise.

Mr. Hector Hughes Is the hon. Member throwing over his own leader?

Mr. Baxter Ours is a democratic party. When we criticise our own leader it is an old-fashioned Conservative custom, of which my right hon. Friend has, in his time, taken advantage. I do not believe for one moment in using the atom bomb. I do not believe for a moment in the necessity of war. But what is required is very clear thinking.

If it were not for the alliance of Russia with Communism—that is, the imperialism of Russia with the policy of Communism—I should welcome the threat of Communism to society as it exists in the Western world. It has already advanced the cause of democracy in capitalist countries; it has made capitalist society more aware of its

responsibilities. I should welcome Communism, because the only way to defeat it is not by bullets or bombs but by creating a better system of society. I believe that implicitly. I only wish it were possible for our words to carry to Russia, for us to say, "Come here and demonstrate to us the advantages of Communism. Let us go to you and demonstrate what we think."

I wish it were possible to tell Stalin to come here and take the Albert Hall—he could even take it back for all I would care. We hear the phrase about cards on the table. By all means let Communism demonstrate openly. Let Members and deputations of Parliament, and journalists, go to Russia freely. Let Russia open her frontiers; let her open the sealed windows of Europe; let us find out what is happening. Perhaps we have something to learn from Communism. I do not know, but I do not think it is much. At any rate, I should welcome its challenge were it not allied to the imperialism of Russia. Just as Napoleon was shrewd enough to take advantage of the fervour of the French, and weld it into a military policy to conquer the world, so the Russians are committed to the theory that Communism can only survive if capitalism is crushed. From that to saying that Russia can only survive if she conquers Europe is not very far.

Do not blame my right hon. Friend the Leader of the Opposition for saying words which must have staggered and shocked the Russians—ich the Russians should hear. We who have preached friendship with Russia—and I have never preached anything else—cannot get our words over to the Russians. Let them listen now to the man who spoke so often for this country when other men had not the vision, and could not find the words. Do not let us be shocked and startled now, because those words, in a year's time, may seem very wise. After Yalta, as late as that, my right hon. Friend professed his faith in Russia. If that faith has been chilled and killed it is not his fault; it is the fault of Russia.

The hon. Member for Stretford said what a pity it was that in Italy and France, after the war, there was not a strong positive and resolute Socialist Government. From time to time I do a certain amount of writing and by much practice I have learned that adjectives must have some relation to nouns or you should not use them. No Socialist Government can be strong, positive and resolute. It is not in the nature of Socialism? What is Socialism and where did it come from?

Mr. Hector Hughes What about this Government?

Mr. Baxter I am coming to this Government. I do not want to detain this House much longer, but I think it is important to note that Socialism was born from the womb of Liberalism. In the election of 1906 Liberalism, the mother, died in giving birth to Socialism. Socialism in turn gives birth to Communism. Just as the Liberals disappeared so the present Socialist party will disappear in this country. The one party which will not disappear is the Conservative Party.

Mr. Shurmer Is this the election cry of the hon. Member for Monmouth (Mr. P. Thorneycroft)?

Mr. Baxter The election is going to be a great shock to hon. Gentlemen opposite.

Mr. Shurmer If the hon. Member uses the filth he is putting forward now.

Mr. Baxter How long can this Government last when it has only one capable Minister? Let there be no mistake about it, this is a one-man Government. There are many things I wanted to say but there is one thing which I should like to put to the Government—is it or is it not true that we have dropped the word "British" from the Commonwealth. If so, what is the matter? What is happening? What is the Commonwealth but nations like my own country of Canada which was won by British blood, developed by British treasure, and then handed over to the inhabitants. We have scuttled out of Egypt and out of Burma. Perhaps the Indian experiment will prove right, but does a man forsake his father's name when he comes of age? It is and should remain the British Commonwealth.

This Government suffers from arrogance and a colossal inferiority complex. Nothing is worse than those two qualities, and one of the troubles is that in 1945 this country elected men who recognised their difficulties but failed to seize their opportunities, because they were timid men lacking vision and courage. I could have devoted a great deal of time and a great deal of eloquence, if I could command it, to the wretched record of the Government. When they came to power how strong was our prestige, how high we stood in the world. I agree with one hon. Member opposite when he said that we should never have sold out either to the American dollar or to the Red Army. He did not put it in that way but that is what he meant. We should have held the middle position we occupied. We were the centre of the greatest combination of nations in the world, and our position was not as bad as the Government thought. If anybody thinks I am now being wise after the event, I would remind him that I voted against the American Loan and I led a smaller number of Members against Marshall Aid.

Mr. Alpass Is it not a fact that the right hon. Member for Woodford (Mr. Churchill) in 1944 told Mr. Morgenthau that after the war this country was going to be bankrupt, and that he would be the most unpopular man in the country because he would have to tell the people the truth.

Mr. Baxter Certainly, but had he been returned as a Prime Minister he would have had the courage to tell the truth. Does anybody imagine that the right hon. Gentleman would have gone hat in hand to America for dollars?

Mr. Shurmer He said so in August, 1945.

Mr. Baxter Nothing of the sort would have happened.

Mr. Shurmer I am not worrying about the hon. Member for Rugby (Mr. W. J. Brown).

Mr. W. J. Brown On a point of Order. May I draw your attention, Mr. Deputy-Speaker, to the very visible signs of nervous irritability on the opposite side of the House?

Mr. Shurmer May I suggest I am not worrying about the hon. Member for Rugby?

Mr. Deputy-Speaker (Major Milner) I think it would be better if we had less interruption, and if the Chair were to be introduced a little less into the Debate.

Mr. Baxter If the right hon. Member for Woodford had been Prime Minister he would certainly have recognised our difficulties, as well as our opportunities. He would have gone to Washington, and in the first place I think he would have persuaded the American Government to continue Lend-Lease. He never would have accepted the terms of the American Loan. I have a deep affection for the American people. I think they are the most generous people in the world as well as being shrewd and far-seeing. We wanted to walk closely with them in every possible way but we should never have begun, as this Government tried to do, to make this country the 49th State. Today our foreign policy emanates too often from Washington. I agree with an hon. Gentleman opposite that that may have been the beginning of the Russians' feeling of isolation, in which case I think it was a very bad thing.

It seems to me that much of this Debate must seem irrelevant when considered against the background of world events. To many people in this country the clash of parties at the present time seems irritating and unfortunate. I do not take that view, because the clash of parties is the guarantee of a continued democracy, although at any given moment a coalition of parties may be the most effective form of government. But when it falls and the Coalition breaks up a danger is created. Therefore, I think we should keep our differences as they are, and yet this is the time when the Government should have done their best to maintain the greatest possible element of unity in the country not only for the sake of things at home but for the sake of things abroad.

The secrets of the Cabinet are not always kept. On this side of the House we know something of the, battle inside the Cabinet over the Steel Bill. Hon. Members opposite who try to pretend that this is a happy or unanimous decision on the part of the Government do not know what is going on. [HON. MEMBERS: "Do you?"] We do. We could cast it like a Shakespearean play and we could state who the characters are and give their names. We will not go as far as that, though if we are pressed we might. The fact is that it is a surrender and compromise such as so often happens with this Government, because they always take the weakest way out.

We believe that there is not an hon. Gentleman opposite who believes that the nationalisation of steel will increase the efficiency of the steel industry or reduce costs. We believe there is not one who does not know that nationalisation will increase costs and that it will take away the magnificent incentive and drive which this industry has had, and to which hon. Gentlemen's own Ministers, especially the Chancellor of the Exchequer, have paid tribute so often. I say that this is a dishonest move, for the reason that the party opposite have to take into account the possibility of losing the next General Election. It is not a certainty. I wish it were. It is though, a possibility.

What is basically dishonest is their carrying through the nationalisation of steel so that they will be in a position to say, "If we are defeated, we will have nationalised so much that the Conservative Party, in trying to build up free enterprise again will find itself blocked by these vast nationalised industries each demanding concessions from the other, and each with rising costs. Eventually the Conservative Government will be baulked in trying to maintain private enterprise." They say, "We shall nationalise steel now in case the verdict of the people goes against us at the next election. We will cheat them by doing it first." It is an unhappy position and I believe that the country, as is always the case with the misplaced policies of Socialism, will have to pay for this unfortunate and unjustified action.

8.52 p.m.

Mr. George Thomas (Cardiff, Central) I esteem it a privilege to be following the hon. Member for Wood Green (Mr. Baxter). I find him somewhat of a contradiction. He amuses me and he depresses me; he annoys me, and yet he pleases me. The hon. Gentleman has given us tonight an exhibition of political acrobatics which I have never seen excelled in my three years' experience in this House. He expressed himself a devotee of Mr. Chamberlain and seemed to look for our warm and sympathetic understanding. Almost in the same breath he came forward as an almost fanatical devotee of the right hon. Member for Woodford (Mr. Churchill), but lest there be anyone, even on his own side, who had silent criticisms of the dangerous leadership of the right hon. Gentleman, the hon. Gentleman showed that he was also opposed to the Leader of the Opposition. It appears that the divisions which he sees in the Cabinet on this side of the House are reflections of what is going on inside his own party and his own mind.

I never thought that within three years of the war I should hear such brazen speeches made as those to which I have listened in this House today. It is just three years since Belsen, Buchenwald, Auschwitz and Dachau sprouted forth their victims. The blood on Europe is hardly dry before we have the right hon. Gentleman apposite careering around the countryside seeking, like an elephant in a china shop, to do the maximum amount of damage at a time of international strain and stress. I believe that the aim of everyone who speaks on foreign affairs at this time ought to be to see whether he can help in some way to bridge the unhappy gap that now prevails between the peoples of the East and the peoples of the West; that any man ought to test his speech by whether it will increase the hostility between the Eastern Europeans and the Western Europeans and Americans, or whether it will help to a greater understanding.

I have listened to statements this afternoon that can only be construed as wicked propaganda that cannot be substantiated. The hon. Member for Devizes (Mr. Hollis) spoke as though in Russia today, religion and the following of the Christian faith were not permitted. Why, we seem to have reached such a degeneration in foreign affairs that all the wicked lies of yesterday can be reproduced again. When Russia came in on our side in 1941, that night the B.B.C. spokesman declared, "The churches of Moscow are full tonight," and millions of people in this country were amazed that there were any churches left there. It is only a year ago this very month that I was privileged to attend a Baptist

chapel in Moscow, and there were 2,000 people worshipping in the morning service. There is not a Baptist minister in Great Britain who would not eat his hat to have a morning congregation of 2,000.

Mr. Shurmer Hear, hear.

Mr. Thomas That is where the Methodists have one up. It may well be that there are some hon. Gentlemen in this House who believe that all that was laid on for me, that it was all there for my benefit. I happen to have joined in the singing of a chorus with those Russian people. They sang in Russian but I knew the chorus well and sang it in English.

Mr. Shurmer Sing it to us.

Mr. Thomas Mr. Deputy-Speaker, knowing you as a generous man, even I would not trespass so far upon your kindness, as to try to sing it, but these people sang: "This is my story, this is my song," "Praising my Saviour all the day long." I know a genuine religious atmosphere when I am in it, and I was in it in that chapel, and I talked to the leaders afterwards. Of course, there are differences between ourselves and the Russians. I would not accept the Communist philosophy, but in the name of all that is decent let no hon. Member of this House try to use the Christian faith as a buttress for political prejudice. We have already suffered too much from that, and the Church itself suffers when such things are done.

I believe we need to remember that we are not talking merely of people whose political philosophy is not acceptable to us, but of members of the human race whose history has been vastly different from ours. How silent were at least the predecessors of hon. Gentlemen opposite—the father of the House the right hon. Member for Horsham (Earl Winter-ton) was here then—when the Czars were in Russia. It is not a century ago, it is within the lifetime of millions of Russians living today that the Czars were there. There are millions of people in Russia today who lived under the Czars and the Russian people have never in all their long history known the political democracy that we enjoy here. The hon. Member for Wood Green reminds me of the Duma under the Czars, but I hope he will not compare that Duma with this honourable House.

I want to make this point. I do not believe that the Russian people today are looking to us and saying, "Lucky people to have the freedom that they have; to have a free Press; how fortunate they are to have a 'Daily Express' and"—for the hon. Gentleman's sake—"to have an 'Evening Standard,' or to have a 'Daily Mail,' 'Daily Worker,' and a 'Daily Herald.'" The Russian people have not been used to this. We can easily delude ourselves into believing that millions of people over there are going about with arms raised as though in defence, with longing in their hearts for the way of life of the British people. They do not do so, any more than we compare our way of life with that of the Americans and yearn for it—at least, I do not, and I do not think the mass of our people do. I compare my lot today with what is was yesterday. I believe the Russians are doing the same. We need not delude ourselves into thinking that millions are waiting to be liberated. The problem is for us to learn to live together. I do not want to utter many more platitudes to add to the large number already scattered so freely—

Mr. Baxter rose— —

Mr. Thomas I did not mean the hon. Member for Wood Green. He was much too witty for platitudes.

I believe there is one obstacle, and that is fear. It is my experience that fear has strange effects upon a human being. A frightened man is capable of deeds and performances that, in his full strength, he would never commit; so, too, it is possible with a nation. If we can find the cause of the fear which is a curse upon international relationships today, we shall stand in a fair way of improving the relationships between our peoples. Sometimes in this House—I trust hon. Members will not think I am trying to "dig" at America in saying this—we fail to remember that in 1945—not 1948—

important sections of the American Press were crying for the use of the atom bomb before Russia had it. If that had been against us, there would have been a fear here.

Above all, the Government, during the discussions about to be continued, ought to try to concentrate on obtaining a solution of the atomic bomb question. The policy advocated by the right hon. Gentleman the Leader of the Opposition is not a policy; it is the way of madness, because it is still possible for war to be avoided. If his policy is followed, war is inevitable. That is the real difference at present between the two sides of this House.

Mr. Baxter It is Munich over again.

Mr. Thomas I must confess that this delightful interruption surprises me, coming from one who, indeed, is a specialist in what I call, "Doing a Munich." He has expressed himself as a fervent admirer of Mr. Chamberlain at that time. At Munich Czechoslovakia was sold. We did not sell ourselves; it was another country, about which we were told nobody cared. Today we are dealing for ourselves. I know right hon. Gentlemen here so well and admire their convictions so much, that I know they will never try to gain an advantage for Britain by selling a small country.

The hon. Member for Galloway (Mr. McKie) has just entered the Chamber. I thought it was the hon. Member for Keighley (Mr. Ivor Thomas). I apologise to the hon. Member for Galloway for such a mistake, and I will not say what I was going to say.

The Gracious Speech makes reference to other matters besides foreign affairs and on this occasion, as on other occasions, the Press has indulged in pleasurable anticipation. Some newspapers anticipated that His Majesty would express his pleasure at the forthcoming visit to Australia and New Zealand. Some forecast proposals in connection with National Parks and others referred to steel. I saw no reference to the proposed Bill which is to deal with the safety of life at sea. I wish to say how deeply I welcome the fact that His Majesty's Government appear to be intending to operate the International Charter for Merchant Sailors and to legislate accordingly. Recently it was my privilege, as some hon. Members are aware, to travel on a merchant ship across the Atlantic Ocean. I shared the life of the crew. [Laughter.] Some hon. Members think it is the most funny thing in the world to think of working in any other way than working here. I must confess I did not do too much work, but I did a little.

Mr. Walker (Rossendale) You got the ship home.

Mr. Thomas We got the ship there and back. We brought back a cargo of timber for building houses here. I saw something of the life of these men. One of the problems was that of ballast. Unfortunately—and I am glad that the Chancellor of the Exchequer is not here—we went without a cargo. We sailed in ballast. I trust that hon. Members will realise better than I did what it means to sail in ballast on a small ship. The ballast is loaded up on the deck as well as down in the hold and there is a natural tendency, in order that money shall be saved for the shipowners, for the ballast to be thrown overboard when the ship is two or three days out from land. The time when the ship might need ballast most is when she is near the lee shore. In the cases of the steamship "Leicester," the "Santampa" and the "Samkey," and in the loss of life entailed, the question of ballast was well to the fore. I trust that the Minister responsible for this subject and for this department will consider setting up a working party to advise him on new rules and regulations to decide the question of ballast for ships going to sea.

Sometimes I feel that those of us who are privileged to earn our living on shore take for granted much of the sacrifice and much of the hardship of the merchant sailor. He comes into his own in time of war. Fortunately, the merchant sailors appear to be aware that they have been protected largely by the present Government in the days that have followed since the war.

There are two other questions to which I would refer in connection with this same subject. The first is the question of the Plimsoll line which Mr. David Lloyd George, who was then Prime Minister, was mainly responsible for raising. I believe that the question of the overloading of ships due to that alteration in the Plimsoll line is also one that must be borne in mind when legislation is introduced. Those vessels that move around our coasts have very special needs of their own. On some types it is not necessary for the master of the ship to have any qualifications whatsoever. In many of these ships the question of the certificate of the navigating officers is one that is not insisted upon. I am hoping that the Government, when they turn to this legislation, will see that the life of those on the small vessels is protected as much as the life of those who serve on the greater vessels.

There is the greatest anxiety on the part of many people about the tendency to register in Panama, ships owned by British people. I have heard of a British shipping line which bought four ships recently in America but registered them in Panama, which means that the ships do not have to conform to the standards and conditions that we insist upon here. I earnestly hope the Government will look into that as well.

There is only one fault which I can find with the Gracious Speech and that is that it does not deal as fully as it might with the Principality of Wales. I realise, none better, how much the Government have done for Wales. No Government have ever brought such industry to Wales, have ever given employment to as many people as the present Government, or have ever rendered such service to the educational and cultural life of the Principality. That is why I wish, since they have done so much, that they could have added just a word of promise for even more that is to come. After all, Welshmen play a very prominent part in this Government, if only in creating trouble. But, bearing that in mind, having heard this Gracious Speech, I look forward with great confidence to this Session, when we shall see the culmination of our plan, when steel, the father and mother of industry in this country, along with coal, also belongs to the people, and is controlled in the interests of all our citizens rather than for profit alone

Mr. Douglas Marshall (Bodmin) Before the hon. Member sits down, might I ask him a question? Did I misunderstand him, or is he suggesting that the Treasury released dollars in order to buy four ships from the United States to be registered under the Panamanian flag?

Mr. Thomas I intend to put down a Question to the Chancellor of the Exchequer on that point. No doubt the hon. Member will join me in asking a supplementary question if he can.

9.16 p.m.

Mr. Mulvey (Fermanagh and Tyrone) I will not intervene in all these domestic issues which have been raised in the eloquent speeches we have heard today. I appreciate the sincerity of hon. Members on both sides of the House who express their minds upon local and national subjects, but I rise to complain on a subject that is very much in the public eye in this country, in Ireland, in the United States and in the Dominions today, but which is not referred to in the Gracious Speech. I refer to the question of the unity of Ireland and the undemocratic situation that exists in Northern Ireland.

In the Gracious Speech His Majesty, in effect, expressed hopes that, with confidence and goodwill, world problems will not defy solution. I need not say that it is the desire of all Christian peoples that world conditions may be created which will make for international amity and lasting peace between all nations, large and small. I should say that that happy result cannot be complete while the one blot in British administration remains in Ireland, the one blot for which a former British Government are responsible, the one blot which hinders friendly relations between this country and Ireland. It is a blot which all right-thinking people in Great Britain and Ireland eagerly desire to remove.

Most hon. Members on both sides of the House will admit that partition is no solution for any country no matter what the difficulties, or alleged difficulties, may be. That is particularly so in the case of a small nation bearing the

traditional characteristics of nationhood in every corner of the land. While it may be the desire of the people of any nation to foster and maintain those characteristics, that consideration in present-day world conditions should never be allowed to interfere with any scheme for the unification of nations and for the economic and social advancement of all nations combined. I need hardly remind the House that no nation today in existing world conditions can adopt an isolation formula. No nation can live by itself, and in the case of nations that lie adjacent to one another there should be that bond of friendship and good will between them which would be of great advantage to both.

Hon. Members and right-thinking citizens everywhere cannot deny that the set-up of two governments in a small country like Ireland is indefensible. The partition of Ireland was rightly regarded by the Irish people as a crime against their country. It was forced upon the country without an Irish vote being cast for it in this House. But the Tory-Liberal combine responsible for that crime expressed themselves through their leading statesmen in 1920 in such a way as to convey the impression that in their view partition could not be permanent. If their professions in 1920 counted for anything, they all disliked the partition of Ireland. The then Chief Secretary for Ireland, Mr. Macpherson, in introducing the Government of Ireland Bill, or the Partition Bill, said that all hoped that the division of the country would be temporary. The noble Lord the Member for Horsham (Earl Winterton), who happily is still with us, said on that occasion that few would have supported the Bill had they not believed that it was going to lead to the ultimate unity of Ireland. It is also on record that similar declarations were made by other Tory statesmen at that time.

In the following year, when the Articles of Agreement known as the Anglo-Irish Treaty were being negotiated in this City, the then Prime Minister, Mr. Lloyd George, assured the delegates from Ireland that acceptance of the Treaty would lead to the ultimate ending of partition. Yet successive Governments in this House for the past 27 years have supported this crime of disunity in Ireland. Successive Governments during all these years have supported every effort to maintain the British stranglehold over a portion of Irish territory, and the present Labour Government are undoubtedly no exception in respect of the last three years during which they have been in office; this despite the fact that, when the Labour Party were in opposition, they protested time and again against the division of Ireland and protested very strongly at times against the undemocratic situation that existed in Northern Ireland.

Tonight, I will not stress the right of people to control their own destiny and their own affairs in their own nation. I feel that that principle is already admitted by right-thinking Members all over the House. I will, however, say that, if conditions existed which forced the Government of Great Britain to annex Brittany in France, it could not be expected that the French people would remain indifferent to that gross act; or, to present this matter in the words of an Irish leader of a few years ago, if France dominated England and annexed six of the southern British counties, what would be the reaction of the people of Great Britain to that injustice? Is there any appreciable number of Members in this House, or any appreciable number of the British people, who, knowing the facts in connection with the division of Ireland, expect the Irish people to sit down and complacently accept the continued mutilation of their nation? If there are any people who think in that strain, I can assure them tonight that they do not understand the spirit of the Irish people.

Over the last 27 years, partition has brought many injustices to the minority in Northern Ireland. The main phases of legislation by the Northern Ireland Government, and especially those in connection with civic administration, show that there is a perverted Governmental system in Northern Ireland. Irishmen from the North and South of Ireland can come to this country and enjoy all the privileges and civic rights which this country can afford to give to its own citizens, but Irishmen coming from the South of Ireland to Northern Ireland have no such rights. In some respects—and I am not exaggerating in the slightest degree—Southern Irishmen in Northern Ireland are treated as aliens. Irish people coming from the Southern and Western parts of Ireland into Northern Ireland must have a residence permit before they engage in work.

Doctors and nurses who come into Northern Ireland and who desire to remain there must have seven years' residence there before they can claim the vote for representation in the Northern Ireland Parliament. I ask hon. Members of this House to say whether that is an imperialistic or a democratic system. Do hon. Members realise that the United Kingdom is in a unique position in so far as local government is concerned? There is a democratic system of government in England, Scotland and Wales, but in Northern Ireland the system of local government is contrary to all ideas of democracy and justice.

Let us consider what is the position in the matter of the franchise for Parliamentary and local government purposes. The Act which enabled the Stormont Government to function reserved to this House certain governmental services, but it also gave certain powers in the matter of local government to the Stormont Parliament. I presume that the authors of that Act never imagined that such powers would be used to suit the interests of one particular party in Northern Ireland. The political and social rights of citizens of this country are sacrosanct. What we have in Northern Ireland are almost all the attributes of Fascist rule. After the passing of the 1920 Act, the first procedure of the Tory Government of Northern Ireland was to pass an Act in 1922, called the Local Government Act, which enabled the Tories to have control of local administration in areas in which they constituted a minority of the population. What would be the reaction of Labour in this country if a Tory Government set up a scheme whereby they, as the minority, could control areas where there were labour or other political majorities? I feel that no Englishman, Scotsman, or Welshman could imagine that that sort of thing could be done; but it is being done, and has been done for 27 years, in Northern Ireland. In this respect, in the matter of local administration, coercion rules supreme over practically one half of the area of Northern Ireland.

Some hon. Members opposite, and particularly my Unionist friends from Northern Ireland, speaking on public platforms, have always said that we, the Nationalists, exaggerate the position in our propaganda for the unity of the country and for remedying Measures in respect of local government. They go so far as to say that our statements are misleading, malicious and lying. Tonight I challenge hon. Members from Northern Ireland, if they are anxious to refute these statements—the facts in support of which are there in Northern Ireland—to select from this House a representative delegation or commission to go to Northern Ireland to find out the position for themselves. If my Unionist friends persist in saying that our statements about the position in Northern Ireland are malicious, misleading and untruthful, I challenge them to do what I have asked.

The result of the gerrymander in Northern Ireland is that one Tory vote has the electoral value of two Nationalist or Labour votes. The gerrymander prevents democratic representation in any country, but I know of no other country in Europe in which this form of administration is carried on except Northern Ireland. That the gerrymander prevents democratic representation is shown in Tyrone and Fermanagh, the two great Nationalist counties. Let me give hon. Members the figures for the county councils of Tyrone and Fermanagh. In County Fermanagh, 30,000 Nationalist and Labour voters get seven seats, whereas 24,000 Unionists voters get 13 seats. In County Tyrone, 70,000 Nationalists get 11 seats, and 56,000 Tories get 16 seats. For the representation of the Derry City Corporation, 29,000 Nationalist and Labour voters get eight seats, while 18,000 Tories get 12 seats. I dealt with this subject at considerable length when the Northern Ireland Bill was before the House in June last year, and I will not go over the same ground again.

Prior to this gerrymander, under the most perfect system of election two county councils, 11 rural councils and seven local councils were under Nationalist and Labour control by virtue of the support they commanded among the electorate; but, when the gerrymander was complete and the elections were held on this basis, most of these public bodies came under Tory control, and as far as I know only three urban councils remained under the control of the Nationalists in Northern Ireland.

Another Measure which restricts the franchise in Northern Ireland is the 1946 Franchise Act. Under that Act, thousands of people who had Local Government votes up to 1946 are now deprived of their votes because they have

no houses of their own. It is laid down that a person must have his lodging rooms valued according to the valuations Act before he can have a vote for local government purposes. To deprive a person at the age of 21 or over of a vote is, to say the least, most undemocratic, especially when the Government of Northern Ireland take no steps to provide houses for the people in Northern Ireland.

There are several housing schemes being promoted by the Government of Northern Ireland in the towns, but unfortunately these gerrymander councils will not give an appreciable number of the houses to Nationalist residents. In Tyrone and Fermanagh rural districts and other Nationalist rural districts in Northern Ireland, no houses have been built for the last 28 years. That discloses the antipathy of the present Government in making adequate provision for the people in areas which are largely Nationalist or Labour. There is a company vote in Northern Ireland and this system is unknown in this country or in any other country, and it is designed to uphold the Tory control in areas where the Tory population is in the minority.

If there is any desire on the part of the present British Government to proceed on a democratic basis, they should seek to deprive the Northern Ireland Government of these powers. As I have said, the partition of Ireland is indefensible in every way. The Tories and Liberals in this House mishandled the position in 1921. At that time we announced to the world that the Irish question was settled and that there would be unity in Ireland. The result is that partition has created a variety of problems in Northern Ireland, and one of the most shameful is the system of local administration by which minorities rule majorities. I want to ask the present Government, being disciples of democracy, what they are going to do to repair the damage done by the Tories and the Liberals in 1920.

Tyrone and Fermanagh, two Nationalist counties, should never have been included in the area known as Northern Ireland. The vast majority of people in these counties are desirous of being united with their fellow countrymen in the South. If a plebiscite were held in the four counties of Tyrone, Fermanagh, Armagh and Down, there would be a majority in favour of the counties being included in Southern Ireland.

The Premier of Northern Ireland, and other Northern Ireland Ministers, in their public utterances, seem to suggest that they speak for the whole of Northern Ireland. They do not speak for the constituency of Tyrone and Fermanagh, which my colleague and I have the honour to represent in this House. They do not speak for nearly a third of the population of Belfast City. Over 100,000 people there wish to be united with Southern Ireland. They do not speak for Derry City and other areas in County Derry, County Armagh and County Down. The fallacy of the statement of the Northern Ireland Premier, that partition is necessary for British security, should be evident to every sensible citizen in Great Britain and Ireland. It implies that Great Britain would be defeated in war but for the mutilation of Ireland. How ludicrous that statement will be to any sane person.

It has been said that to abolish partition in the present menacing state of international affairs would be courting disaster for Great Britain. This statement was made by the Minister of Home Affairs in Northern Ireland. He also said that Northern Ireland was a sure shield for Great Britain. The world knows that a united Ireland would be a greater shield for Britain. These disciples of this unity in Northern Ireland on the score of loyalty deprecate the value of Southern Ireland, evidently ignoring the fact that Irishmen in hundreds and thousands have shown their valour in British Armies during many wars. Young Irishmen today are conscious of the fact that, in spite of the sacrifices of the manhood of Ireland in British wars fought for the freedom of small nations, their own nation is not yet free. These same young men realise, too, that in Northern Ireland civic rights are not accorded to the Nationalist-minded people of that area. They are conscious of the fact that in the partitioning of their own country an injustice is exercised in favour of ascendancy and imperialism.

On this question of imperialism, the right hon. Gentleman the Foreign Secretary said, about a week ago in London, that imperialism in the world today only exists in Eastern Europe. But I say—and I defy contradiction — that British

imperialism has been responsible for partition in Ireland today. Does the Foreign Secretary contend that the effects of imperialism should be allowed to continue in Northern Ireland?

I will bring my speech to a close. I speak for four-fifths of the Irish people living in Ireland and for the millions of our race in this country, in the United States and in other countries of the universe when I demand, in the name of justice, that the Government of this country should do justice to Ireland and seek to have our country re-united under one government set up in that country. I further demand that the whole country be given over to one government free and untrammelled from outside interference. No Member in this House today possibly realises that one-fifth of the people in Ireland, for the last 27 years, have vetoed, and can continue to veto, the will of four-fifths of the Irish people. That situation I do not think exists anywhere else. How can the principle of democracy and self-determination be operated if such a practice is admitted. If that sort of thing is permitted, how in this Social Democratic age can self-determination be put into practice anywhere?

The panacea for all these injustices lies in the removal of partition. The British Government are responsible for partition in Ireland. Partition is the one obstacle which remains to prevent friendship between our two countries. I ask the Government in this House, which claims to be a democratic Government, to take up this matter at the earliest opportunity and bring about a satisfactory solution of the position of Ireland. I ask them to realise that a British Government imposed partition on Ireland against the wishes of the Irish people and, as I said, without an Irish vote being cast for it. It is the duty of the British Government to end partition in our country.

9.48 p.m.

Major Legge-Bourke (Isle of Ely). The hon. Member for Fermanagh and Tyrone (Mr. Mulvey) will presumably be answered by His Majesty's Government later in the Debate. I dare say that the answer is that the matter is having urgent consideration, but, if so, I do not suppose that the hon. Member will be satisfied with that answer. Before he starts worrying about the government of Ireland and its independence he should start worrying about the independence of Northern Ireland and how long it will remain if the South leaves the British Commonwealth. I do not propose to follow him any further than that.

I should like to turn to the subject which is mentioned in the Amendment which I shall not move today on the subject of the half-hearted way in which the Dominion Prime Ministers' presence in this country and the Empire Parliamentary Delegations have been referred to in the Gracious Speech. In his speech yesterday the Prime Minister made very fleeting references to the discussions which have taken place, and it seems to me that there cannot possibly have been anything more important in this year in this country than that Conference. Yet all we are told about it is that defence was also discussed. Surely there is nothing more important at the present time than the future of British Commonwealth defence. We do not expect any detailed reference to the plans which have been drawn up, but we surely expect, where there have been points of agreement which cannot affect the secret side of things, that some implementation should follow upon those plans. There is nothing in the Gracious Speech to indicate what is being done.

I have attended several meetings of the Empire Parliamentary Conference. One subject discussed at great length was emigration. What emerged from that Debate—I think I am giving a fair summing up—was that emigration depends very largely upon what sort of house you are likely to get at the other end. There is no mention of this subject. If agreement among Dominion Prime Ministers was as complete as it was in the Empire Parliamentary Conference, that some form of emigration is desirable in the Commonwealth, although not mass emigration, perhaps His Majesty's Government might let us know something about it, and might tell us what their plans are in regard to the agreement. We feel that the whole temper of the references in the Gracious Speech to the Commonwealth is half-hearted and far too lackadaisical. We want some dynamic policy in the Commonwealth. I am certain that the Leaders of the Commonwealth were most anxious that it should be so, but that anxiety has not been reflected in the Gracious Speech.

I want to turn from defence in the British Commonwealth to the subject of the Armed Forces. We welcome the fact that the Armed Forces are to receive attention of some sort. The Gracious Speech says: "My Ministers are taking steps to ensure that My Armed Forces shall be efficient and well equipped." We have heard that one before over and over again at the beginning of every Parliament and in every Debate upon Service Estimates. The fact remains that we are still not getting an adequate number of recruits for the Regular Army and that the pay situation is still most unsatisfactory, as are the conditions of service and the equipment. Every time the Opposition does its best to say what it thinks should be done for the Army, we are assured that the matter is receiving urgent consideration. When it comes to the final issue we find that very little has been done at all. We do not know from the Gracious Speech whether or not it is intended to amend the National Service Act. It says that the best use is to be made of the men called up under that Act, but can we have an answer from the Government whether or not the National Service Act is to be amended? We should like to know.

Speaking for myself—in this matter I am speaking entirely for myself—I wonder very much whether the reference to Civil Defence in the Gracious Speech was in mind when the plan under the National Service Act was drawn up. If it was not, and I suspect that it was not, then there seems to me to be a case for reconsidering conscription in this light, namely, that where we now have exemptions in certain trades which cause dissatisfaction in other trades, we might very well have a general conscription for Civil Defence purposes, and perhaps revert to having our Territorial Army and our Regular Army on a volunteer basis again. I still believe that if we make the pay and conditions as good in the Regular Forces as they should be, we shall get the men. I certainly believe it is only right that every subject of His Majesty in this country should be prepared to defend this Realm. Therefore, I believe that Civil Defence may give the opportunity to equalise far more than it is being equalised today, the National Service of the nation.

What I am about to say is perhaps a rather personal matter to bring into a Debate on the loyal Address, but I am anxious that so long as any plan, whatever it may be, is in being and followed, then there should be some chance of that plan succeeding. All of us in this House received a letter from the Secretary of State for War asking for our support in the Territorial Army recruiting campaign. I was one of the hon. Members who said that I was fully prepared to give all the support I could. What happened? Both in the short Session Debate and just afterwards, the Secretary of State for War, if such he can be called, slanged the Opposition here, the Conservative Party, on much the same lines as the Minister of Health did with the "vermin" speech—or the "lower than vermin" speech—on the eve of launching a recruiting campaign which he knew very well depended for its success on the Tory Party. I say that it is a scandalous disgrace that that right hon. Gentleman should be allowed to remain a Minister of the Crown. He should resign. I know he had a meeting with the Prime Minister afterwards and that it was a somewhat lengthy interview. I hope he learned something to his own benefit. Nevertheless, so long as that right hon. Gentleman remains here in his present office I do not see how any nation outside of this country, or any subject of His Majesty in it, can seriously believe that His Majesty's Government mean business over recruiting.

Also I very much wonder whether the time is not coming when, in the international field, we have not got to take another radical step. I am quite certain that what I am about to say will not be popular and it will perhaps shock some hon. Members. I am not frightened of that because I believe that a great many more hon. Members in time to come will be thinking the same way. I believe that the United Nations organisation should be wound up. I am very much in favour of the United Nations Association continuing in being. I believe we established this international body from the wrong end; if we can build up this local cooperation amongst peoples such as the United Nations Association will engender, then we may one day form a world organisation which is respected by those people who are to take part in it.

At the present time, however, we seem to have rushed from the false security of the League of Nations which we had before the war, into the needless alarm caused by the blackguarding which goes on in the forum of the United Nations. I cannot believe that any man, woman or child in this country or any other country should have to read in his or her

newspaper day after day of these turbulent proceedings among the leaders of the nations. If this is the best they can do, let us get back to secret diplomacy again, when we did have some peace. Let us by all means try, through the International Welfare Offices, the International Courts of Justice and the International Labour Office to engender good feeling between nations, but do not let us have the leaders of these nations meeting in a forum, slanging each other, and disturbing the minds of the common man and woman, because that is all that the United Nations is achieving, other than progress for the Zionist cause in Palestine.

It being Ten o'Clock, the Debate stood adjourned.

Debate to be resumed Tomorrow.